Municipal Affairs Annual Report

1988 – 89

Alberta
MUNICIPAL AFFAIRS

90-06052/

Alberta
MUNICIPAL AFFAIRS

Office of the Minister

127 Legislature Building, Edmonton, Alberta, Canada T5K 2B6 403/427-3744

March 1990

The Honourable David Carter
Speaker of the Assembly

Dear Sir:

We have the honour to submit the Annual Report of Alberta Municipal Affairs for the fiscal year ended March 31, 1989.

Respectfully submitted,

Raymond A. Speaker
Minister of Municipal Affairs

Ken Rostad
Attorney General and
Minister Responsible for
Native Affairs

Alberta
MUNICIPAL AFFAIRS

Office of the Deputy Minister

CityCentre, 10155 – 102 Street, Edmonton, Alberta, Canada T5J 4L4 403/427-4826

March 1990

Honourable Raymond A. Speaker
Minister of Municipal Affairs

Honourable Ken Rostad
Attorney General and
Minister Responsible
for Native Affairs

Dear Sirs:

I take pleasure in presenting to you the Annual Report setting out the activities of Alberta Municipal Affairs for the fiscal year ended March 31, 1989.

Respectfully submitted,

Archie R. Grover
Deputy Minister

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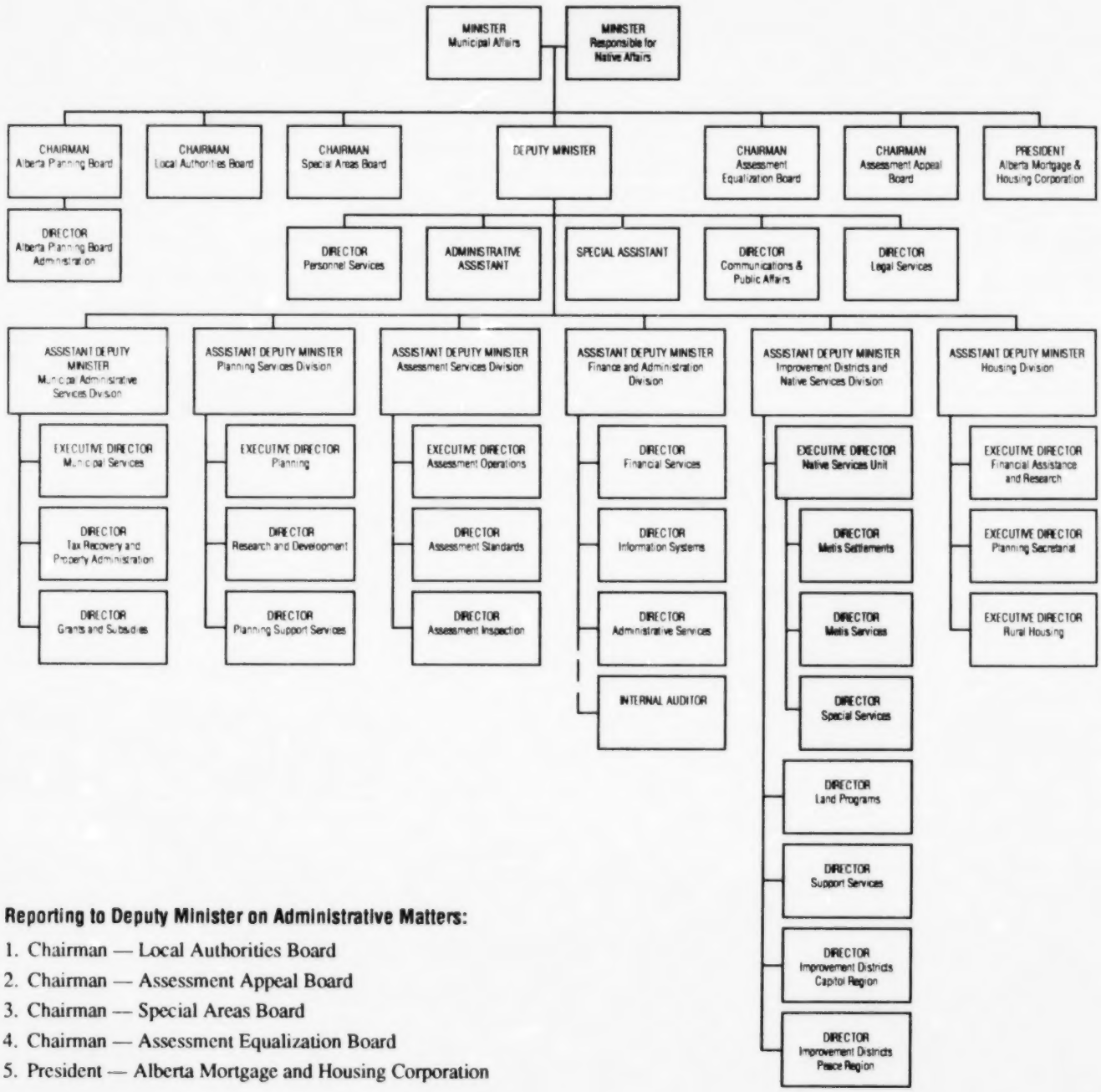
Alberta Municipal Affairs Organizational Structure
March 31, 1989

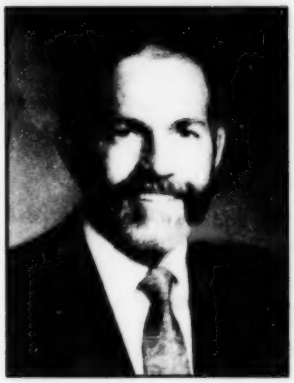


Reporting to Deputy Minister on Administrative Matters:

1. Chairman — Local Authorities Board
2. Chairman — Assessment Appeal Board
3. Chairman — Special Areas Board
4. Chairman — Assessment Equalization Board
5. President — Alberta Mortgage and Housing Corporation

Alberta Municipal Affairs Ministers and Executive Committee

Hon. Dennis Anderson



Hon. Ken Rostad

Archie R. Grover

Executive Committee

Archie R. Grover, Chairman

Tom Forgrave

Rene G. Gagne

Robert S. Leitch

William K. Mann

Dennis C. Surrendi

Jack G. Thomas

Anthony D. Gronow

Stanley A. Juniper

William J. Nugent

Al J. Suelzle

Acts Administered by Alberta Municipal Affairs

Agricultural Relief Advances Act

Alberta Mortgage and Housing Corporation Act

Assessment and Equalization Act

Assessment Appeal Board Act

Border Areas Act

Calgary-Canadian Pacific Transit Agreement Act

Calgary (City of) and Calgary Power Agreement Act

Calgary (City of) and Calgary Power Ltd. Agreement Authorization Act, 1972

Calgary Exhibition and Stampede Limited (An Act to Authorize and Permit the City of Calgary To Enter into a Certain Lease With)

County Act

Crowsnest Pass Municipal Unification Act

Department of Municipal Affairs Act

Edmonton (City of) and Calgary Power Ltd. Agreement Validation Act

Edmonton — Meadowview Agreement Act

Electric Power & Pipeline Assessment Act

Equalization Act

Improvement Districts Act

Lloydminster Municipal Amalgamation Act

Local Authorities Board Act

Local Authorities Election Act

Local Tax Arrears Consolidation Act

Lomond, An Act Respecting the Village of

Medicine Hat (City of) Gas Purchase Act

Medicine Hat Power Plant Extension Act

Metis Betterment Act

Metis Betterment Act Restoration Act

Mewata Park Enabling Act

Municipal & Provincial Properties Valuation Act

Municipal & School Administration Act

Municipal District of Bighorn No. 8 Incorporation Act

Municipal District of Clearwater No. 99 Incorporation Act

Municipal District of Cypress No. 1 Incorporation Act

Municipal Government Act

Municipal Tax Exemption Act

Municipal Taxation Act

Municipalities Assessment & Equalization Act

New Towns Act

Northeast Alberta Regional Commission Act

Planning Act

Property Tax Reduction Act

Regional Municipal Services Act

Senior Citizens Housing Act

Smoky Lake (Town of) Gas Utility Act

Special Areas Act

Tax Recovery Act

Water Resources Commission Act

Deputy Minister's Report

This was a year of accomplishments and challenges for Alberta Municipal Affairs. Department staff can take pride in our accomplishments and in how we met the challenges in 1988 – 89.

I have highlighted a few of the many achievements that our staff is justifiably proud of:

- Five new housing programs and a pilot project were announced in February 1989 by the Premier, the Honourable Don R. Getty. Two of these — the Alberta Mortgage Interest Shielding Program and the Alberta Family First-Home Program — began March 1, 1989. Planning for 1989 – 90 implementation of the other programs, namely the Seniors' Independent Living Program, the Seniors' Emergency Medical Alert Program, the Home Adaptation Program and the Garden Suite pilot project, began immediately upon the Premier's announcement.
- The work of the Municipal Statutes Review Committee advanced significantly with the publication of a series of discussion papers and the holding of public forums in 10 locations around the province. As the fiscal year closed, the committee had finalized its Phase I report and was preparing to proceed to the rewriting of the Municipal Government Act using the same consultative process.
- On June 13, 1988, electors of Banff voted 65 percent in favor of incorporation as an Alberta town. No municipality has as yet been incorporated within a national park so meeting this elector direction is proving to be a complex task, encompassing the cooperation of federal, provincial and local officials. Incorporation is planned to occur January 1, 1990.
- During the fiscal year, the department played a significant part in two provincial/federal agreements. The Canada/Alberta Memorandum of Understanding on Native Development provides for a planning and coordination process for economic and social development. In June 1988 the federal government, the provincial government, Syncrude Canada Ltd. and the Athabasca Native Development Corporation entered into a five-year agreement that resulted in improved business and employment opportunities for Native people in the oilsands development in northeastern Alberta.

  As well, in December 1988 the province renewed the Framework Agreement. This agreement establishes a number of subcommittees in areas of interest to Native people and allows for greater input by Metis people into government programs, services and processes.
- A paper examining the concept of a transitional form of municipal government for improvement districts was developed for discussion with improvement district advisory councillors.
- An agreement-in-principle with Metis Settlements was arrived at during the year. This agreement includes the Metis Settlements Act and the Metis Settlements Land Act introduced in the Legislature in July 1988. This process originally began with the tabling of the "Implementation of Resolution 18" document in June 1987.
- A new rural assessment policy was put in place, bringing more equity into the property assessment system in rural municipalities. It was first utilized in four municipalities. These four — the County of Athabasca, the Municipal District of Willow Creek, the Municipal District of Provost and Improvement District No. 21 — were monitored to see the effect of the new policy. These municipalities were reassessed using the updated farm land valuation procedures and new rates in the 1989 Assessment Manual.

Archie R. Grover — Deputy Minister

- **A new farm land assessment process was introduced during the year. Four rural municipalities undergoing general assessments were the first to employ the process. While changes were made to some older policies to reflect more current values, the basic philosophy of agricultural value remains unchanged. Assessments on agricultural land are still prepared on the basis of the land's ability to produce agricultural products. Land is now assessed on the basis of what a farmer should pay for that land if its most reasonable use is agriculture. Other influences such as recreation or other development potential are not recognized in the assessment. Where there is a residence, the first three acres are assessed at 65 percent of market value under the new process. Non-farm properties such as country acreages are treated in much the same manner with the residence assessed at 65 percent of the depreciated replacement cost. The three-acre rule for land is also used.**
- **During the fiscal year, new regulations under the Planning Amendment Act were drafted and circulated to regional planning commissions and municipal associations for comment. Of particular concern were subdivision regulations. One of the key changes considered is to give subdivision approving authorities more latitude in how they process and decide upon subdivision applications. In many cases because of this lack of latitude, subdivision applications have to be brought before the Alberta Planning Board for approval.**
- **VISION 2020, the program which the Honourable Dennis Anderson introduced in September 1988, has been an unbridled success with 284 of the province's 373 municipalities voluntarily participating. This futures planning initiative, to guide municipalities beyond the year 2000, involved department project staff assisting elected and appointed officials to go through a four-step process leading to a Vision Statement for their community.**

In addition to these highlighted activities, the ongoing mandate of the department continued toward the assistance of individual Albertans and municipalities. Some $241.3 million flowed to municipalities in the form of grants such as the Unconditional Assistance Grants and the Alberta Municipal Partnership in Local Employment (AMPLE) program. Individual Albertans benefited through programs such as the Senior Citizens' Renter Assistance program ($46.1 million), the Property Tax Reduction program ($65.5 million) and the Seniors' Home Improvement Program extension ($10.2 million).

As I said at the outset, you will see in the following pages that Alberta Municipal Affairs has much to be proud of, much has been accomplished and many challenges have been met.

Office of the Deputy Minister

The Deputy Minister is the chief executive officer responsible for the administration, coordination and control of all line and staff functions of Alberta Municipal Affairs.

Archie R. Grover — Deputy Minister

Legal Services

The Solicitor's Office is located in the department's head office in Edmonton, but is staffed by a lawyer from the Alberta Attorney General's department. The office provides legal services to Alberta Municipal Affairs and its associated boards, including the following:

- Legal advice and written opinions, usually related to legislation administered by Alberta Municipal Affairs.
- Review and preparation of documents, including contracts required by the department.
- Court appearances, where required, on behalf of the department, including representation before the courts on behalf of the Alberta Planning Board, the Alberta Assessment Appeal Board, and the development appeal boards in the improvement districts.
- Review of proposed legislation and revision of existing legislation and regulations.
- Participation in special projects, of which the incorporation of Banff during the reporting period was an example.

Personnel Services Branch

The role of the branch is to assist managers to maintain a qualified, productive and stable work force in the department.

During the fiscal year:

- 229 competitions were conducted
- 24 employees were transferred for career development purposes
- 308 classification transactions were completed.

Training activities continued to focus on safe work practices, the operation of computer equipment, bicultural skills, letter and report writing, and strengthening of management and supervisory skills. The department continued to experience a low incidence of grievances and related concerns in labour relations.

Activity Highlights

- **A policy that enhanced conditions of employment for employees of improvement districts was implemented.**
- **A classification review of positions in the Housing Division was completed.**
- **Detailed policies for recruitment, selection and classification throughout the department were established.**
- **A comprehensive Principal Contractor policy designed to ensure adherence to Occupational Health and Safety regulations was put into effect. Managers and job-site safety representatives were trained on application of the policy and procedures.**
- **Involvement of managers and supervisors in the recruitment and selection process was increased.**
- **Use of local advertising was increased to make information concerning employment opportunities in rural locations more available to local residents.**

Communications and Public Affairs Branch

The branch provides internal and external communications and public relations services to the department and its associated boards. The professional public relations staff is seconded from the Public Affairs Bureau; support staff are employees of the department.

Branch services include:

- Provision of public relations advice to all levels of staff in the department and associated boards.
- Liaison with the news media.
- Coordination of advertising, print, graphic, display, and audio-visual programs and activities.
- Communications research.
- Publishing "Municipal Counsellor," a magazine on municipal affairs distributed outside the department.
- Publishing internal staff newsletters and notices.

Assessment Services Division

Rene G. Gagne — Assistant Deputy Minister

The mandate of the Assessment Services Division is to ensure equitable property tax assessments throughout the province. The division's functions are carried out by three branches:

- Assessment Operations
- Assessment Standards
- Assessment Inspection

One of the year's significant achievements was institution of a policy to bring more equity into the property assessment system in rural Alberta. The New Rural Assessment Policy was put into effect in four rural municipalities: Municipal Districts of Provost and Willow Creek, County of Athabasca, and Improvement District No. 21. The Assessment Operations Branch completed all assessments in these municipalities for taxation in 1989. The process in the municipalities was monitored by the Assessment Inspection Branch.

Also significant was development by the Assessment Standards Branch of a microcomputer-based assessment system. Called the Municipal Affairs Property Assessment System (MAPAS), it combines the residential and farm land valuation systems with a master file component to provide a municipal assessment roll.

The value of building permits almost trebled in 1988, to $1,449,395,645 from $573,159,999 in the previous year. This comparison, and other business statistics related to the Assessment Operations Branch, is shown in **Table 1** on this page.

Assessment Operations Branch

The branch provides property assessment services to municipalities as required by the Municipal Taxation Act. Also, it provides services for properties that are assessable under the Electric Power and Pipeline Assessment Act.

The branch consists of the head office in Edmonton, nine regional offices and four regional sub-offices. It includes an Industrial Assessment Section.

Industrial Assessment Section

The section carries out assessments, under the Municipal Taxation Act, of oil and gas properties and special plants in most Alberta municipalities. Under the Electric Power and Pipeline Assessment Act, the section undertakes, province-wide, assessments of wells, flowlines, pipelines, electric power and cablevision properties. Alberta Government Telephones properties are valued under the Municipal and Provincial Properties Valuation Act.

The section's industrial assessors also provide expertise to other assessors and municipalities.

Table 1

Assessment Operations Branch: Business Statistics

	1987	1988
Value of building permits	$573,159,999	$1,449,395,645
General assessments		
• Completed or in process	51	50
• Refused	13	29
• Municipalities exceeding 7-year limit	32	35
Annual assessments completed	290	296
Population in municipalities served by the branch	596,020	618,282
Total number of parcels	520,055	543,146
Appraisals	1,152	2,757
Annexations	7	17
Oil and gas well zones	92,275	97,327
Kilometres of flowline/pipeline	158,326	164,041

Regional Offices

These are located at Lethbridge, Medicine Hat, Calgary, Red Deer, St. Albert, Stony Plain, Bonnyville, Grande Prairie and Peace River. Each office is responsible to various municipalities for assessing urban properties. These include residential, commercial, light industrial improvements, and non-farm or market valued land. Staffs also carry out assessments of farmland, rural residences, and oil and gas plant property assessments not undertaken by the Industrial Assessment Section.

Regional offices provide consulting services to private assessors employed by municipalities. These offices are at times involved in special projects for the Public Trustee. Also, they assist Alberta Public Safety Services in disaster situations such as floods and tornados.

General assessments, by statute, have a maximum life of seven years. However, in these changing economic times, it is desirable to keep assessments at a current level of value. To this end, a procedure is being introduced by which all property assessments will be updated every one to three years. This will be made possible by use of computers.

Use of computers in assessment operations is now accepted as a positive requirement by municipalities. Today, mainframe systems are used in the assessment of oil and gas plant properties, well, flowline and pipeline properties.

Regional offices are equipped with microcomputers for the valuation of residences and farmland properties. However, the two systems now in use will be replaced in 1990 with one integrated system.

Assessment Standards Branch

The branch provides support to the assessment community in valuation research, systems development training, and field assistance. Staff also assist in preparing relevant legislation and regulations.

A major initiative of the branch during the reporting period was to provide assessors with a microcomputer-based assessment system capable of producing a municipal assessment roll. The Municipal Affairs Property Assessment System (MAPAS) integrates prototype systems used in regional offices for residential and farmland valuation with a master file component, thus enabling users to produce municipal assessment rolls. MAPAS is compatible with the province's Board Land-Related Information Systems.

Considerable emphasis was placed during the year on activities directed at extending the coverage provided by the 1984 Assessment Manual.

Activity Highlights

- **Schedules and procedures were prepared for the valuation of irrigated farmland, to be completed in 1989.**
- **Buildings and improvements schedules were expanded to keep current with construction trends and development. Particular attention was given to schedules for construction of mixed-use commercial and industrial buildings. Attention was also focussed on the multi-residential buildings found primarily in larger cities.**
- **Training and educational activities ranged from seminars for members of the Court of Revision to development of teaching material for technical workshops in the application of the Assessment Manual. Teaching assistance was also provided for relevant courses at Lakeland College and the Hinton Forestry School.**
- **Involvement continued in development and delivery of the Real Property Assessment and Taxation Citation program offered by the University of Alberta, Local Government Studies. This program provides participants with application skills and technical competencies in assessment, land valuation, and communication.**

Assessment Inspection Branch

The branch provides a review and audit function to enhance quality control of assessments through the province.

A key function of the branch is to provide support for general assessments in municipalities. Benchmarks for municipalities to follow in assessment procedures ensure uniformity throughout the province. Those municipalities which employ their own assessors are given particular support.

Activity Highlights

- Considerable assistance was given to the four rural municipalities which first implemented the New Rural Assessment Policy. High priority was given to ensuring that the public was given adequate explanation and sufficient warning of the new policy.
- The branch continued to assist Alberta Public Safety Services in the administration of the Disaster Assistance Program. Claims which required clarification or became controversial were most often referred to branch inspectors for follow-up and review.
- The branch and the Saskatchewan Assessment Authority conducted a joint review of farmland assessment practices. Comparisons were made of similarities and differences in approaches used by the two provinces.
- The Industrial Property Taxation Task Force was supplied with assessment and taxation data on which to base an evaluation of the effect of taxing machinery and equipment. Industrial assessment experts from Ontario and British Columbia assisted in preparing assessment and tax comparisons of the model properties chosen by the task force. This exercise in information sharing rendered distinct benefits to the task force.
- Staff attended meetings in Calgary and Vancouver concerning the new Federal Indian Taxation Advisory Board. The purpose of the meetings was to discuss how to assist Indian Bands to prepare bylaws which will provide for fair assessment and tax policies on Reserves. This is an area which is attracting interest from both Alberta's Indian Bands and industrial entities with property on the Reserves.
- Several reviews were undertaken for the Alberta Assessment Appeal Board, particularly in Calgary where a general assessment had recently been completed.

Finance and Administration Division

Robert S. Leitch — Assistant Deputy Minister

The division is responsible for developing and providing financial, administrative, and electronic data processing services throughout the department. These responsibilities are divided among these branches:

- Administrative Services
- Financial Services
- Information Systems
- Internal Audit

Administrative Services Branch

The branch consists of three major units: the Library, Central Records, and Office Services. Its services, available in more than 60 locations throughout the department, include the following:

- Departmental information line to the public
- Accommodation and related building services
- Records management
- Forms management and administration
- Telecommunications
- Purchasing of material, supplies, equipment, and furniture
- Vehicle administration
- Duplicating and stock advance
- Mail and courier services
- Risk management and insurance coordination
- Parking
- Security
- Recycling and handling surplus of fixed assets and furniture
- Directory services

The Library houses 15,000 books, maintains 330 periodical subscriptions, and has on file archival copies of departmental publications. Library staff undertake research and reference work to identify relevant and timely information sources.

Central Records designs and implements record management practices. The unit's aim is to establish an effective program for the systematic creation, maintenance, and ultimate disposition of departmental records.

Office Services provides support in general administration and consultation activities. A major project during the reporting period was coordinating the accommodation planning for the relocation of the department's head office.

Financial Services Branch

The branch provides accounting and financial management services to the department and its associated boards. These functions are undertaken by these four sections:

- Departmental Accounting and Budget
- Trust Fund Accounting
- Property Taxation
- Financial Planning, Policy and Procedures

The Departmental Accounting and Budget Section is responsible for payments of account and receivables under the General Revenue Fund, for preparation of the department's budget, and for inventory control.

A major activity of the 1988-89 fiscal year was conversion of the Department Financial System/ Central Financial System (DFS/ CFS) accounting system from central data entry to remote data entry. Also, the section worked with the task force responsible for implementing the Mortgage Interest Shielding Program.

The department's expenditures, classified by program, are shown in **Figure 1** on the next page.

The Trust Fund Accounting Section provides accounting and financial management services for the following trust funds administered by the department:

- Alberta Planning Fund
- General Trust
- Improvement Districts Trust
- Special Areas Trust
- Metis Population Betterment Trust
- Metis Settlements Trust
- Metis Associations Grants Administration Trust.

Activity Highlights

- **Financial information was transferred to the new Municipal District of Brazeau, No. 77.**
- **Monthly reports on capital projects were introduced.**
- **A new strategy was implemented on long-term investments. Purpose is to maximize the rate of return on investments for the trust funds.**
- **A new format was introduced for the financial statements of improvement districts. Statements are now prepared under the generally accepted accounting principles.**
- **Year-end procedures were revised, the purpose being to improve the timeliness of audited financial statements.**

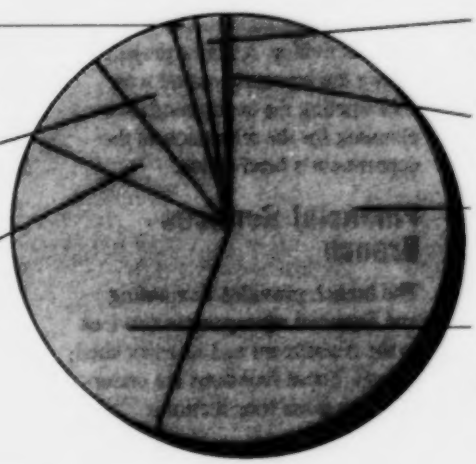
The **Property Taxation Section** prepares and maintains property tax rolls for improvement districts and special areas. The section also coordinates user support services and training for the Property Tax Automated System. This system ensures accuracy and timeliness of updates and reports on assessment, tax recovery, and finances. More specifically, the section's responsibilities include:

- Updating tax rolls
- Property tax billing
- Processing benefits for senior-citizen homeowners
- Reporting tax receivables
- Registering tax notifications (caveats)
- Issuing tax certificates
- Responding to enquiries from the public

Figure 1

Departmental Expenditures, by Program

For year ended March 31, 1989



Total Expenditure (Unaudited)
$427,789,484 (Actual)

The **Financial Planning, Policy and Procedures Section** provides updates, revisions, and new policies and procedures to meet the requirements of legislation and guidelines. Specifically, this information relates to expenditures, receivables and accounting of the General Revenue and the trust funds. The section also has a primary role in making changes and enhancements to financial systems. These activities are carried out through committee involvement and through direct communications between staff in the section and in the district and regional offices

A major project during the 1988-89 fiscal year was coordinating the work of the new Improvement District Financial Policy and Procedure Committee. This committee is responsible for updating, revising, and developing new policy and procedures for the overall financial administration of the Improvement Districts Trust Fund.

Information Systems Branch

The mandate of the branch is to facilitate information processing within the department, and to coordinate all data processing systems and systems-related procedures. Within this mandate, the branch's objective is to maintain an effective technical architecture and support current and future information needs.

Activity Highlights

- **Microcomputers were installed in 43 departmental offices to facilitate information sharing.**
- **The specialized Municipal software package was introduced in all Improvement District and Special Areas offices; the enhanced Tax Recovery system was also introduced in Special Areas offices.**
- **Implementation of the Residential Calculation system was completed in the Assessment Services Division.**
- **All field office locations were linked to the Provincial Communications network, providing them with access to centralized functions as well as to mainframe and microcomputer applications.**

Internal Audit

The department's management is responsible for preparing various financial reports and for the integrity of the financial data in the Public Accounts. To achieve this goal, a system of internal controls is in place. This is designed to provide reasonable assurance that assets are safeguarded and executed in accordance with management's policies for conducting government business.

The internal control process is continuously monitored by direct management review and by an audit program, under which independent reviews are made in accordance with generally accepted internal auditing standards.

An Audit Committee is responsible for determining that management fulfills its mandate with respect to the department's financial reporting and internal controls. The department's Internal Auditor reports to this committee.

Activity Highlights

- **Field office operations in four Improvement Districts were audited, as were the operations of Special Areas in Hanna head and district offices.**
- **Audits were conducted of two grant programs and 14 special projects; two special audit assignments were completed.**
- **The status of recommendations made by the Office of the Auditor General for four trust funds was reviewed.**

Housing Division

W.K. Mann — Assistant Deputy Minister

The Housing Division is responsible for planning, coordinating and contracting the delivery of housing programs throughout the province. This mandate includes policy and program development for both the division and the Alberta Mortgage and Housing Corporation. These responsibilities are divided among three branches:

- Financial Assistance and Research
- Planning Secretariat
- Rural Housing

Financial Assistance and Research Branch

The branch administers grants for home improvement and housing research, and for rental housing incentives. Also, it is responsible for technical research and development, and for technology transfer in housing and land development. These functions are carried out by three sections:

- Grants Administration
- Home Improvement
- Research and Development

Grants Administration

This section provides assistance to Albertans through the following four programs:

1. Senior Citizen Unique Homes Assistance Program

This provides grants to eligible senior citizen homes for 75% of justifiable deficits up to $5.30 per bed per day. This is an increase from $4.80 in the previous year. Note that the Pioneer Home, Hythe, and the Salvation Army Sunset Home, Edmonton, receive 90% of their justifiable deficits. The eight homes currently receiving grants offer care levels which fall between those in lodges and those in nursing homes. Grants made in the reporting period are shown in **Table 2**.

Table 2

Grants to Senior Citizen Homes

Calgary, Salvation Army Sunset Home	$ 60,029
Calgary, Bethany Care Centre	42,843
Coaldale, Mennonite Home	24,595
Edmonton, Salvation Army Sunset Home	95,050
Edmonton, Emmanuel Home	17,568
Hythe, Pioneer Home	171,146
Medicine Hat, Haven of Rest	127,751
Wetaskiwin, Good Shepherd Home	91,324
Total	$ 630,306

At the end of the fiscal year, two new homes became eligible for program funding, one in Airdrie, the other in Cochrane.

During the 1988-89 fiscal year, 78 claims for a total of $339,495 were processed. Comparative figures for the previous year were 126 claims for $402,295.

2. Alberta Rental Investment Incentive Program

This was introduced to provide an extra incentive for investors and developers who started construction of multiple-unit residential buildings (MURBs) in 1980 and 1981. Under the program, corporations that are taxable in Alberta apply for a tax credit, individuals apply for a tax rebate. If an applicant's tax payable is less than the total eligible incentive, the unpaid balance may be carried forward into subsequent years up to July 1, 1990, when the program ends.

3. Home Adaptation Program

This offers grants of up to $1,000 to homeowners and tenants who are wheelchair users or who have a wheelchair user living with them. Funding is to create wheelchair access to a home and in-home mobility features. Landlords are eligible for funding under the program when they modify existing

residential buildings to accommodate wheelchair users, or build accommodation for wheelchair users.

During the 1988-89 fiscal year, 131 grant applications were approved representing 139 units. Expenditures were $120,287. Comparative figures for the previous year were 140 approved applications for $130,762.

4. Housing Registry Program

This provides funding to nine housing registries whose prime purpose is to supply housing referral services for senior citizens, disabled and "hard-to-house" individuals, and Native people. The registries also provide information on housing programs to the public. Five of the registries are in Edmonton, two in Calgary, and one each in Lethbridge and Medicine Hat.

During the 1988-89 fiscal year, the registries received a total of $291,500 in grants, a slight decrease from $303,500 in the previous year.

Home Improvement

This section is responsible for delivery of two programs which offer financial assistance to senior citizens who are homeowners. The section employs a Native liaison officer to address the specific needs on program deliveries of Indian bands, Metis Settlements, and isolated communities.

Spot inspections are made to audit claims made for materials purchased or services performed under the programs. In total, 2,881 inspections were made in the 1988-89 fiscal year.

Seniors' Home Improvement Program — Introduced in 1982 to succeed two earlier home repair and improvement programs, this program provides assistance to low- and moderate-income senior citizen homeowners for repairing or improving their homes. Applications were accepted to June 30,1986. During the 1988-89 fiscal year, program costs were $1,550,537, a major decrease from $5,607,666 in the previous year.

Seniors' Home Improvement Program Extension — This three-year extension to the Seniors' Home Improvement Program became effective on July 1, 1986. Grants up to $3,000 are available to eligible applicants.

During the 1988-89 fiscal year, 4,163 grant applications were approved, representing a commitment of $10,166,000. This included $720,000 in supplementary benefits made to 578 applicants. Actual expenditures by seniors under the program totalled $9,501,744, a decrease from $10,209,200 in the previous year.

Research and Development

This section has two main responsibilities:

- To carry out and support technical research and development in housing, land development, and related manufacturing industries.
- To encourage the application and adoption of innovative methods, products and technologies.

The section's objectives are to help improve housing quality and reduce housing costs, and contribute to the viability and competitiveness of Alberta's housing industry. Housing disciplines given priority in the 1988-89 fiscal year were construction technology, energy conservation, residential building products, design, site and subdivision design, site servicing and technology, and computer applications.

The section administers the Competition for Alberta Awards of Excellence in Affordable Housing. Winners in the 1988 competition are shown in the display box on the opposite page.

While the section carried out some projects on its own initiative, most were implemented through the Innovative Housing Grants Program. This provides grants of up to $25,000 to industry, organizations, and individuals for approved research, design, evaluation, and test projects. A limited number of grants of up to $50,000 is available to assist offset the costs of major demonstration projects.

In total, 21 projects were completed during the year. To encourage commercial use of successful projects, reports on these were disseminated to interested groups and individuals. Total demands for project reports escalated to a record high of 9,100. Section staff also increased the process of technology transfer by sponsoring or participating in forums and seminars.

Winners of 1988 Competition for Alberta Awards of Excellence in Affordable Housing

This competition recognizes the achievements of companies that build and market single-detached, semi-detached and town houses in Alberta that are of high quality and moderately priced. To be eligible for the 1988 competition, houses had to have been completed and available for sale within one year prior to the entry deadline of June 3, 1988, and meet specific cost limits.

Two cost categories were established. **Category 1** was for homes with hard construction costs (materials and labour) under $50,000. **Category 2** was for homes with hard construction costs under $60,000. Up to five awards each of $2,500 were available in each category; an additional award of $5,000 was available for the overall winner in each category.

The winning entries were as follows:

Category 1

Gemini Model, by Soroka Developments, Ltd., Lethbridge, winner of the Ralph Scurfield Memorial Award

Laurier Model, by Parkwood Homes, Edmonton

Empress Courts Project, by Avalon Homes, Red Deer

Category 2

Brentwood Model, by Laebon Developments Ltd., Red Deer, overall award winner in category

West Hillhurst Model, by Battistella Developments (1980) Ltd., Calgary

Rundle II Model, by Lincolnberg Homes, Edmonton

Edgewood Model, by Prairie Sun Developments Ltd., Lethbridge

Heritage Park Estates Project, by Majestic Properties Ltd. and Sommer Bros. Contractors Ltd., Ponoka

Project Highlights

- **A performance study of preserved wood foundations in Alberta concluded that some current standards are too high. The study became the basis for proposals to change standards for preserved wood foundations, back filling materials, allowable deflections, and requirements for wood preservative treatments.**
- **A stressed skin panel building system developed in Alberta was tested and, to encourage its export potential, was demonstrated in Antigua. In this building system, both exterior and interior sheathing are normally bonded to the structural frame, and all work as a unit.**
- **Design, prototype development, evaluation and production planning phases were completed for a plastic cover that fits over exterior wall penetrations, such as electrical outlets and hose bibs.**
- **The extensive range of residential building products made in Alberta today was demonstrated in the Dream Home at the Calgary Stampede and in Edmonton's Klondike Dream Home.**
- **A study was completed to identify design changes, products and services which help senior citizens remain in their own homes.**
- **A comparative analysis was undertaken of Canadian and relevant American codes governing construction of mobile homes. The purpose was to identify differences and show Alberta manufacturers how to modify mobile homes for export to the northwest United States market.**
- **Key education and training needs for builders were identified in a study that also investigated the feasibility of initiating a program of courses in business management.**
- **A symposium reviewed issues and concerns about reserve funds for condominium associations, and developed positions on establishing and maintaining reserve funds.**

Planning Secretariat

The Planning Secretariat assists and coordinates policy and program planning for both the Housing Division and the Alberta Mortgage and Housing Corporation (AMHC). The branch also provides analyses and forecasts on the housing market to government and other groups. In addition, it has a lead role in coordinating the division's liaison with public agencies such as the Canada Mortgage and Housing Corporation, and with private-sector organizations such as the Alberta Home Builders' Association.

These functions are carried out by three sections:

- Market and Economic Analysis
- Policy and Program Development (Department)
- Policy and Program Development (AMHC)

Market and Economic Analysis Section

This section undertakes ongoing and special economic research, and supplies market and program analyses, forecasts and data support to the housing industry and the public.

Activity Highlights

- Residential Construction in Alberta, **a monthly report, was published on residential construction activity in the province.**
- Housing Market Trends, **a quarterly publication, provided information on housing market trends in Alberta.**
- **The annual survey report was completed on vacancy rates and rental costs in approximately 90 communities.**
- **Short- and medium-term forecasts of housing starts, expenditures and requirements were produced for the province overall and for its major urban areas.**
- **Impact assessments were completed on two situations: 1) the effect on housing in specific communities of major resource and economic development projects, and 2) the effect on housing in Alberta of federal tax-reform proposals.**

Policy and Program Development (Department) Section

This section evaluates and develops alternative directions for programs administered by the Housing Division. The section also undertakes research and analysis projects.

Activity Highlights

- **In conjunction with other branches in the Housing Division, two new programs were developed for homeowners and first-time home buyers, and three for senior citizens. The five programs are these: Alberta Family First-Home, Alberta Mortgage Interest Shielding, Seniors' Independent Living, Seniors' Emergency Medical Alert, Home Adaptation.**
- **Reviews of the Senior Citizen Unique Home Assistance Program and of the Home Adaptation Program resulted in revised policies for both.**
- **Model bylaws were drawn up for housing associations in northern Alberta.**
- **Phase I was completed of a study to identify funding mechanisms for trunk sewers for new subdivisions in expanding urban communities.**
- **A survey was undertaken of the characteristics of clients participating in the Rural Emergency Home Program (see Rural Housing Branch).**
- **Consultations continued with the federal government on cost-shared rural housing programs.**

Policy and Program Development (AMHC) Section

This section reviews and evaluates housing programs delivered by the Alberta Mortgage and Housing Corporation (AMHC). The section also conducts assessments for all applications for social housing projects, and recommends appropriate courses of action.

Activity Highlights

- **A three-year plan was developed, and the 1987 Social Housing Annual Review was prepared for federal/provincial housing programs in Alberta.**
- **A regional assessment model was developed to identify priorities for housing needs in the province.**
- **Staff participated in preparation of a study for the City of Edmonton on inner city housing needs and demands.**
- **Two pilot projects for senior citizen housing on Indian Reserves were monitored.**
- **The Lodge Regeneration Program was initiated. Its aim is to renovate and upgrade older buildings.**
- **Alternative proposals were examined for funding of land banking and development projects by AMHC.**

Rural Housing Branch

The branch supplies training assistance in finance, administration, construction, and renovation which is directly linked to modest and affordable housing. Pre- and post-occupancy counselling is also provided.

Client groups are rural families and senior citizens, mostly in northern Alberta, whose sources of income are often derived from seasonal employment, supplemented with unemployment insurance, social assistance or pension benefits.

The branch operates the following three programs. They are designed to meet specific needs where

conventional housing programs are not suitable or are not available.

- Rural Home Assistance Program
- Rural Emergency Home Program
- Rural and Native Housing Program

During the flood disaster at Slave Lake in July 1988, the branch and its programs played a major role in helping families in the town and the surrounding areas who were unable to enter their homes for structural or health reasons.

Actions taken by the branch included provision of 43 mobile home units by the Rural Emergency Home Program, completion of repairs to 24 homes under the aegis of the Rural and Native Housing Program, and the inspection of about 200 homes by staff from the Rural Home Assistance Program. The cost to the branch of these measures was subsequently reimbursed by Alberta Public Safety Services.

Rural Home Assistance Program

Under this program, assistance is provided to isolated communities and Metis Settlements in the form of grants for materials. These enable communities to build new homes for eligible families, or improve existing ones. This mandate is carried out through five sub-programs.

1. Isolated Communities Housing Program — This assists isolated or semi-isolated communities to build new, modest homes for eligible families. During the 1988-89 fiscal year, the program assisted 44 families with grants totalling $989,628. Location of units built is shown in **Table 3** on this page.

2. Metis Settlement Housing Program — During the 1988-89 fiscal year, this program assisted 45 families with a cost commitment of $1,427,685. Location of units built is shown in **Table 3**. Comparative figures for the previous year were 39 units built at a cost of $1,176,175.

3. Rural and Native Demonstration Program — This program, in its third year, is cost-shared on a 75/25 basis by the Canada Mortgage and Housing Corporation and Alberta Municipal Affairs. In the 1988-89 fiscal year, ten families in four communities were helped to build their own homes with grants totalling $332,330.

Two units were built in each of the Metis Settlements at Caslan, Gift Lake, and Kikino; four units were built in the isolated community of Garden River.

4. Rural Home Repair Program — This assists, through local housing associations, all approved isolated communities and Metis Settlements to repair and upgrade existing homes of eligible families. During the 1988-89 fiscal year, 25 applications were approved at a total cost of $98,190. This is a considerable decrease from the previous year when 55 applications were approved at a total cost of $227,408.

5. Northern Water and Sewer Program — During the 1988-89 fiscal year, this program helped finance plumbing and sewer facilities for 204 families in isolated communities and Metis Settlements. Total cost commitment was $422,020. These figures are slightly lower than for the previous year, when 210 families were assisted at a total cost of $499,000.

In detail, the following grants were approved in this fiscal year.

Table 3

Units Built Under Sub-Programs of Rural Home Assistance Program

Isolated Communities Housing Program	Units Built
Boyer Summit	3
Cadotte Lake	2
Calling Lake	2
Chipewyan Lake	2
Conklin	3
Desmarais/Wabasca	2
Elinor Lake	2
Fort Chipewyan	4
Fort McKay	3
Garden River	4
Janvier	3
Loon Lake	3
Nose Creek	2
Owl River	3
Peerless Lake	2
Susa Creek	1
Trout Lake	3
Total	44

Metis Settlement Housing Program	
Caslan	5
East Prairie	5
Elizabeth	5
Fishing Lake	6
Gift Lake	6
Kikino	6
Paddle Prairie	7
Peavine	5
Total	45

- A total of $80,254 to isolated communities to provide roughed-in plumbing systems for 44 families and, under the Medical/Disabled Program, complete exterior/interior water and sewer services for six families.
- A total of $100,400 to install interior plumbing in 40 homes built in Metis Settlements.
- Through a cost-sharing agreement between the Rural Housing Branch and the Metis Settlements Branch of the Improvement Districts and Native Services Division, $241,366 was granted to install plumbing services for 114 families. Of these families, 27 received complete plumbing systems under the Medical/Disabled Program.

Rural Emergency Home Program

This program helps supply emergency housing for eligible rural families and senior citizens, with low to moderate incomes, who may face an emergency situation if their dwelling:

- is destroyed by fire, flood, or storm, and the family may need a place to live immediately;
- is unsafe due to structural defects, and is beyond repair;
- is overcrowded; or,
- is not healthy or safe to live in,

and no other accommodation such as rental units are available.

The program may also provide emergency housing units to families waiting for permanent housing, or for families which are relocating to new communities in order to avail themselves of job opportunities.

Emergency mobile homes may be located anywhere in the province, but are primarily available to Albertans living in remote rural areas, improvement districts, and Metis Settlements. Through separate agreements with Native band councils, the program is also available on Indian reserves, where 138 housing units are sited. The federal government guarantees all costs for band units, including capital costs.

During the 1988-89 fiscal year, the program received 632 applications for emergency housing, and approved 221.

The program allows tenants who are interested in purchasing a unit to do so, and 94 were sold in this fiscal year. At March 31, 1989, the program had 1,082 emergency units, of which 1,039 were occupied.

Rural and Native Housing Program

This is a cost-shared federal/provincial mortgage assistance program which has been in effect since 1974. Under the program, mortgage funding for construction or purchase of homes is provided by the Alberta Mortgage and Housing Corporation; subsidies and other costs are shared on a 75/25 basis by the Canada Mortgage and Housing Corporation and Alberta Municipal Affairs.

Activity Highlights

- **Through the program, 223 families received mortgage assistance during the year. Regional distribution of these families is as follows.**

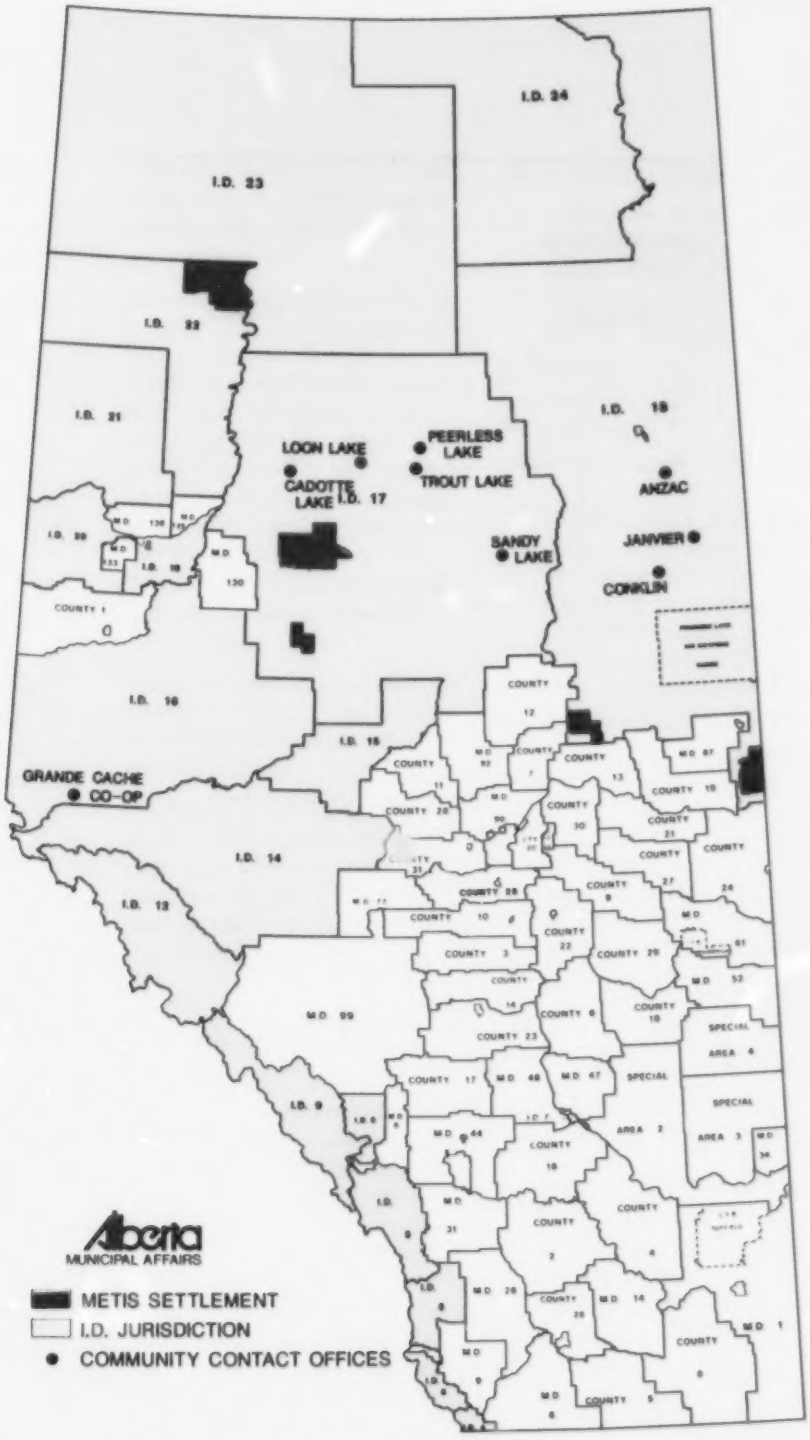
Region	Families
Peace River	45
Bonnyville	117
South	61
Total	223

- **Post-occupancy warranty repairs were completed on 34 units at a cost of $180,981. Another 10 units were repaired for $7,294 under a new Remedial Repair Policy. The breakdown of repairs in these two categories is shown in Table 4.**
- **In 1988, a subsidized rental program was introduced. This resulted in delivery in 1989 of 20 modular units to 13 rural municipalities. These units, originally designed to accommodate media at the XV Olympic Winter Games in Calgary, were retrofitted for residential use. Six of these units were delivered to the Peace River region, and seven to each of the Bonnyville and Edmonton regions.**
- **The Rural and Native Housing Program has 77 units remaining from an earlier rental program which is now administered by the Alberta Mortgage and Housing Corporation. The intent is to sell them to eligible applicants.**
- **At March 31, 1989, the Rural and Native Housing Program had 1,591 ownership and rental units in its portfolio.**

Table 4

Rural and Native Housing Program
Post-Occupancy Repairs

	Warranty		Remedial	
Region	**#**	**$**	**#**	**$**
Peace River	15	104,985	—	—
Bonnyville	14	41,653	—	—
South	5	34,343	10	7,294
Totals	34	180,981	10	7,294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I.D. 14
I.D. 12
I.D. 9
LOON LAKE
CADOTTE LAKE
PEERLESS LAKE
TROUT LAKE
SANDY LAKE
ANZAC
JANVIER
CONKLIN
GRANDE CACHE
CO-OP
M.D. 99
SPECIAL AREA 4
SPECIAL AREA 2
SPECIAL AREA 3
Alberta
MUNICIPAL AFFAIRS
METIS SETTLEMENT
I.D. JURISDICTION
COMMUNITY CONTACT OFFICES

Improvement Districts and Native Services Division

Dennis C. Surrendi — Assistant Deputy Minister

The division consists of two major administrative units:

- Improvement District Operations
- Native Services

The mandate of Improvement District Operations is to help improvement districts develop their own local governments. The unit's activities are administered through two regions: Capitol and Peace. The province's improvement districts are delineated in the map on the opposite page.

The primary mandate of Native Services is to increase in other provincial government departments and agencies an awareness of the needs and aspirations of Native communities. The objective is to strengthen programs and policies that effectively address the interests of Alberta's Native people.

One of the year's significant projects was the study by a staff task force of strategies that would unify the approach of the two units in developing and implementing programs and policies. One outcome, to start in the 1989-1990 fiscal year, will be to deliver Native services in the improvement districts as far as possible through the Improvement District Operations unit.

Improvement District Operations

Considerable emphasis was placed during the year on activities directed at encouraging local government for improvement districts (IDs). First, automation of office procedures continued. The intent is to give IDs electronic access to databases previously available only in Edmonton, thus enabling them to take on more responsibility for their financial affairs.

Second, work began on a discussion paper examining a transitional form of municipal government for IDs.

Meanwhile, the Improvement District of Badlands, No. 7, updated an earlier study in which it had requested incorporation as a municipal district. The update reflected progress made toward self-government since 1984.

The work of the Improvement District Operations unit is undertaken by two branches, Land Programs and Support Services. Brief reports from each follow.

Land Programs Branch

The branch develops and administers policies and programs related to the division's land responsibilities. Currently, the division administers Crown land in 14 of the province's 22 Green Area Hamlets. Under the Green Area Hamlet Transfer Program, the administration of one other hamlet is in the process of being transferred to Alberta Municipal Affairs from Alberta Forestry, Lands and Wildlife.

Activity Highlights

- **Access and assistance were provided to departmental users of the province's Land Status Automated System (LSAS). This keeps track of files used in the administration of Green Area Hamlets. Access to LSAS is now available at 16 Improvement District offices; system updates are undertaken by the Land Programs Branch.**
- **Increased emphasis was placed on use of extension education programs involving community groups and Native organizations. These programs help communities identify and achieve their goals. Also, they broaden input to, and improve understanding of, the local government process.**

Support Services Branch

The branch provides support to other branches in the division on finance, budgets, assessment and taxation, engineering, and general administration.

Activity Highlights

- **A new format was developed for Improvement District Trust Budgets.**
- **Legislation governing the Oil Well Drilling Tax was reviewed and recommendations made for change.**
- **The impact of changes to the School Act and the Municipal Taxation Act was analyzed.**
- **General assessments were completed in Improvement Districts (ID) No. 15 and No. 20 and started in ID No. 21.**
- **To assist IDs and Metis Settlements carry out capital projects, these standardized documents were introduced: a Professional Services Agreement, General Conditions of Construction Contracts, Terms of Reference Guidelines.**

Native Services

This unit comprises the Office of the Executive Director; the Special Services Branch, which liaises with Treaty Indians; the Metis Services Branch, which liaises with Metis people living off-settlement; the Metis Settlements Branch, which serves the eight Metis Settlements; and the Policy Section. The location of the Metis Settlements is shown in the map on page 26.

During the 1988-89 fiscal year, grants totalling approximately $4.5 million were made to Native organizations and individuals. However, much of the unit's work concerned agreements affecting Native communities and interests. Comments on these follow.

Agreement Highlights

- **In June 1988, a five-year agreement was entered into by the federal and Alberta governments, Syncrude Canada Ltd., and the Athabasca Native Development Corporation. This is designed to improve business and employment opportunities for Native people in oilsands developments in northeast Alberta.**
- **In December 1988, the province's Framework Agreement with the Metis Association of Alberta was renewed for another year. Under the agreement, subcommittees are in place which deal with areas of significance to Metis people. The agreement allows for greater Metis input into government programs, services, processes, and structures; it also increases joint planning and programming.**
- **Under the Canada/Alberta Memorandum of Understanding on Native Development, emphasis was placed on agricultural opportunities for Native farmers. Also, initiatives were developed for economic, employment and business activities for communities with a high Native population. In broad terms, the Memorandum provides for a planning and coordination process for economic and social development.**
- **Discussions began on the development of an agreement-in-principle between the province and the Metis Settlements. This encompasses the proposed Metis Settlements Act and the Metis Settlements Land Act, both of which were introduced in the Legislative Assembly in July 1988.**

In addition to these agreement activities, Native Services developed processes and initiatives to ensure the equitable participation by Native people in the economic development of Alberta's forest resources.

Municipal Administrative Services Division

Tom Forgrave — Assistant Deputy Minister

The division's mandate is to act as the focal point for activities and developments that relate to the general administration and financial affairs of Alberta's municipalities. To carry out this mandate, the division undertakes these functions:

- Coordinates much of the province's responsibility for municipal institutions, and participates in the development of the government's municipal policies.
- Provides advice and information to elected and appointed municipal officials on their roles, on relevant legislation and regulations.
- Administers four programs which provide funds to municipalities, and several programs which offer assistance to individuals.
- Through specialized educational programs, encourages greater awareness and understanding by elected and appointed officials of municipal concerns and administration.
- Investigates and assists in resolving complaints concerning municipal actions and conflicts within and between municipalities.
- Protects the interests of municipalities and individuals in their tax recovery proceedings.
- Provides a variety of legislative and special services on an interdepartmental basis and to municipalities and the general public.
- Administers the Provincial Land Banks and provides real estate services for the department.
- Represents the department on a wide range of committees and similar bodies. A list of these is shown in the display box on the next page, titled Representation and Liaison.

The management of municipal government affairs in Alberta during the 1988-89 fiscal year continued to demand considerable creativity and resolve on the part of both elected and appointed officials. Improving economic conditions generally eased somewhat the restraint policies under which municipalities had been operating for several years, and many were faced with the challenge of responding responsibly to new growth.

Alberta Municipalities

The numbers and types of municipalities established in Alberta at March 31, 1989, are shown in **Table 5**. Numbers for the previous year are also shown.

Incorporations

On July 1, 1988, the Municipal District of Brazeau No. 77 was incorporated from the former Improvement District No. 222. On January 1, 1989, three new summer villages were incorporated: Birch Cove, Norris Beach, and Sunset Beach.

Banff Incorporation

One of the year's most noteworthy events concerned Banff. On June

Table 5

Alberta Municipalities by Type and Number

	1987-88	1988-89
Cities	16	16
Towns	107	107
New Towns	1	1
Villages	122	122
Summer villages	50	53
Counties	30	30
Municipal Districts	21	22
Improvement Districts	18	19
Special Areas*	1	1
Total	366	371

* Technically, there are three special areas within the district but, for simplicity and in line with common usage, these are referred to as one unit.

Representation and Liaison

The division, during the reporting period, represented Alberta Municipal Affairs on these interdepartmental, intergovernmental, or provincial/municipal bodies:

- Advisory Committee on Local Government Educational Programs
- Alberta Achievement Awards Program
- Canadian Institute of Chartered Accountants, Public Sector Accounting and Auditing Committee
- Coordinating Committee on Senior Citizens
- Committee on Banff Incorporation
- County Act Review Committee
- Edmonton Downtown Development Corporation
- Government Finance Officers Association, Excellence in Financial Reporting
- Local Authorities Liability Insurance Committee
- Major Industrial Accident Coordinating Committee (National/Alberta)
- Metis Framework Assessment, Municipal Affairs Subcommittee
- Oil Well Drilling Tax Task Force
- Public Service Management Pension Board
- Railway Relocation Coordinating Committee
- Society of Local Government Managers
- Special Relations Committee
- Statistics Coordinating Committee
- Task Force on Industrial Property Taxation
- Trade Policy Committee

Secretariat services were supplied to the Municipal Statutes Review Committee and the Provincial/Territorial Deputy Ministers of Municipal Affairs.

The division provided advisory services and participated in meetings of these bodies:

- Alberta Association of Municipal Districts and Counties (AAMD&C)
- Alberta Rural Municipal Administrators Association
- Alberta Urban Municipalities Association (AUMA)
- Association of Summer Villages of Alberta
- Canadian Association of Municipal Administrators
- City Clerks and Election Officers Association
- Federation of Canadian Municipalities
- Improvement Districts Association of Alberta
- Local Government Administrators Association

13, 1988, the electors in the community voted 65% in favor of incorporation as an Alberta town. Negotiations were then undertaken with the Canadian Parks Service and the Banff School Board. This process led to the drafting of a Parks Towns Act to provide Alberta legislative authority for this unique municipality. Drafting also began on the federal/provincial agreement which essentially will be the charter for the Town of Banff.

No municipality has ever been incorporated in a Canadian national park before, and no other Alberta municipality includes only leased land within its boundaries. Developing the authority by which the town can operate in a manner similar to other Alberta towns has been a complex task requiring the full cooperation of federal, provincial and local officials. Factors to be recognized included the federal responsibility for national parks, federal land ownership, and the provincial constitutional responsibility for municipal institutions. Incorporation is planned for January 1, 1990.

Swan Hills Colloquium

Significant as a possible precedent was the Swan Hills Colloquium, held in October 1988. Resulting from a variety of concerns expressed by the council regarding the town and relations with external agencies, the colloquium brought together the council and representatives of the advisory councils of nearby improvement districts, the industries in the area, and government agencies. A consultant acted as facilitator.

Action plans were produced for a variety of locally generated solutions to the local issues. The colloquium process is being evaluated for application to other situations.

Municipal Involvement Week

The division co-sponsored the third annual Municipal Involvement Week with the Alberta Association of Municipal Districts and Counties, the Alberta Urban Municipalities Association, the Improvement Districts Association of Alberta, and the Special Areas Board. The week provides an opportunity to promote, province wide, the importance of municipal government in the daily lives of individuals.

The Branches

The division's work is implemented by three branches, reports from each of which follow:

- Grants and Subsidies
- Municipal Services
- Tax Recovery and Property Administration

Grants and Subsidies Branch

The branch administers the division's assistance programs for municipalities and for individuals. Statistics on program funding for the 1988-89 fiscal year can be found on pages 34 and 35. Totals disbursed for each category were as follows:

Assistance to municipalities
$241,252,635

Assistance to individuals
$111,636,172

Municipal Services Branch

The branch undertakes a variety of functions, providing, as required, advisory services, research, and special projects. Reports follow on the most significant activities during the 1988-89 fiscal year.

Field Advisory Program

The goals of this program, begun in 1987, are to improve the operation of municipal government, and to strengthen the advisory network between municipalities and Alberta Municipal Affairs. The response by municipalities, especially to the program's advisory component, continued to be very positive.

In 1988, Municipal Corporate Reviews were conducted in one third of the municipalities, and advisory visits were made to the third which had been reviewed in 1987. As a result, during the year, effective contact was made with approximately two out of every three municipalities. Major corporate reviews were carried out in the City of Fort McMurray, the Town of Calmar and the Municipal District of Rocky View.

Educational Initiatives

Two new courses were introduced: Returning Officers Training Program, to be offered to municipal returning officers for the first time in May 1989; and Orientation for Candidates for Municipal Office, to be offered to elected officials for the first time in September 1989. Both courses were developed jointly by the division and the University of Alberta's Faculty of Extension.

Ten participants were selected for the Municipal Administration Internship Program. They were placed in the cities of Airdrie, Fort Saskatchewan, and Grande Prairie; the towns of Barrhead, Stettler, Sundre, Westlock, and Whitecourt; the County of Wetaskiwin; and Improvement District No. 23.

A list of the division's educational courses on municipal government is shown in the display box on the next page.

Regional Municipal Services Commissions

Efforts continued to organize agencies to deal with the provision of regional utilities. Two commissions were formed during the 1988-89 fiscal year: North Forty Mile Regional Waste Management Commission and the Henry Kroeger Water Commission.

At March 31, 1989, in total, nine regional service commissions were in operation. Organized under the Regional Municipal Services Act, they deliver specific services, water, sewer or waste management, to a group of municipalities operating cooperatively.

Municipal Statutes Review

The Municipal Statutes Review Committee published a series of discussion papers and held public forums in ten locations around the province. The intent was to develop a municipal policy statement. At the end of the year, the committee was completing its recommendation for such a statement. Also, the committee was preparing to rewrite

the Municipal Government Act, using again a consultative process involving discussion papers.

Liability Insurance Project

Work continued on this project to introduce municipal insurance pooling. The Minister's Committee on Liability Insurance prepared a business plan for distribution to the Superintendent of Insurance and prospective municipal members.

Policy Research

In addition to research services on policy issues, a strong emphasis was placed in the reporting period on the development and dissemination of statistics of value to the department, the municipalities, and a wider policy research community. Major projects were as follows:

Municipal Assistance Grants. The division, continuing to calculate the Municipal Assistance Grants, supervised the phase-in of the equitable grant formula. Related research projects were also undertaken.

Residential Property Survey. In 1988, for the fourth year, a survey was conducted of property taxation and utility charges on a standard residential property in all municipalities.

Area Studies. Review continued of the corporate status of the following communities, a process which may include organizing reports and special reviews: Black Diamond/ Turner Valley, Bragg Creek, Cold Lake-Grand Centre, Improvement District No. 7, Slave Lake, and Swan Hills.

Publications

To assist municipalities improve effectiveness, the division increased its efforts to produce and maintain publications on topics of interest or concern to local government officials.

Most recently, the Interpretation Bulletin, introduced in 1988, has become an important vehicle for providing interpretations of legislation that is of broad interest to municipalities. New topics are introduced periodically depending on demand from municipal offices or arising from the experience of departmental staff.

Special interest reports, pamphlets and statistical surveys published during the year included Municipal Officials List, Official Population List by Municipality, 1988 Alberta Municipal Assistance Programs, Residential Property Survey, Role and Responsibility of Alberta Municipalities in Community Economic Development.

Tax Recovery and Property Administration Branch

Tax Recovery

Under the Tax Recovery Act, the following approved tax recovery sales were completed during the 1988-89 fiscal year. They are listed by type of municipality.

- Cities: The sale of occupied properties to their respective residents involved one parcel for a return of $8,655. (Unoccupied parcels in cities do not require Ministerial approval.)

Educational Courses on Municipal Government

The division continued its interest in the planning, preparation and delivery of educational programs for elected and appointed municipal officials. Programs available during the 1988-89 fiscal year are listed in this box. In addition, lectures and workshops on a wide variety of topics were held for municipal groups, as required.

- These two programs are held annually by the University of Alberta's Faculty of Extension.
- **Elected Officials Symposium** — The symposium features lectures and insights into policy issues affecting local governments. It is held in conjunction also with the Alberta Urban Municipalities Association and the Alberta Association of Municipal Districts and Counties.
- **Refresher Course in Municipal Administration** — Held at the Banff School of Fine Arts, the course features sessions on professional development, and on municipal finance, legal issues, and trends.
- These three programs were jointly developed by local government administration, the division and the University of Alberta's Faculty of Extension, which delivers them. The division maintains an advisory role.
- **Senior Executive Fellows Program** — Regular courses for senior administrators.
- **Local Government Studies Certificate Program** — Regular certificate courses on local government.
- **Local Government Studies Citation Program** — Regular workshops on local government.
- This program is run by the division.
- **Municipal Administration Internship Program** — A university and college student training program run annually by the division. The program enables eligible individuals to obtain an additional year of on-site training. The division selects the candidates who are placed with host municipalities. The hosts for the current year are listed in the report from the Municipal Services Branch, under Educational Initiatives.

- Towns and Villages: In total, 26 occupied and unoccupied parcels were sold for a return of $121,507.
- Counties and Municipal Districts: In total, 77 parcels were sold for a return of $349,449.
- Improvement Districts and Special Areas: In total, 327 parcels were listed (of which 245 were redeemed prior to sale), 232 were advertised, and 82 were offered for sale in 15 tax sales. One parcel was sold at public auction for $14,000. A total of 26 tax-forfeited parcels in improvement districts was sold at private sale for a return of $56,278.
- Special Areas Land Sales: In total, 43 applications were processed covering sale of land and approval by the Special Areas Board to lessees wishing to acquire land.
- Collections: In improvement districts, $11,875 was collected from rental of tax recovery land through licences of occupation, and leases for grazing, cultivation and other uses. The sale of sand and gravel returned $2,010. Also $1,310 was collected in improvement districts from outstanding Agricultural Relief Advances.

Recommendations were made by the branch to the Agricultural Relief Adjustment Board on compromise settlements for accounts irretrievably in arrears, or cancellation of uncollectible accounts.

Property Administration

The branch assisted the Municipal District of Cypress No. 1 in the disposal of 28 parcels of tax-forfeited land for a return of $488,261.

The branch also assisted the County of Forty Mile No. 8 in the disposal of 21 parcels of tax-forfeited land for a return of $256,132. These sales were completed in accordance with a land sales policy developed by the county in conjunction with the division and approved by the Minister.

Land sales for improvement districts (IDs) generated $35,323. Assistance was given by the branch to IDs in registering documents, including survey plans, easements, caveats, and right-of-way agreements.

Oil Well Completions

The branch is responsible for recording all oil well completions in the province in order to provide information to local authorities who levy well-drilling taxes. **Table 6** shows that completions in the 1988-89 fiscal year were approximately 20% higher than in the previous year.

Table 6

Location of Oil Well Completions

Location	1987-88	1988-89
Counties	1,524	1,769
Municipal districts	1,375	1,579
Improvement districts	1,658	2,045
Metis Settlements	18	18
Special Areas	318	782
Others	14	32
Total	4,907	6,225

Grants and Subsidies Branch

Details of assistance disbursements to municipalities and Albertans during the 1988-89 fiscal year are shown in the tables on this and the opposite pages.

Assistance to Municipalities

Table 7

Unconditional Assistance Grants

Grantees	
16 cities	$44,924,369
108 towns	13,753,993
122 villages	2,738,544
50 summer villages	303,841
30 counties	21,498,647
21 municipal districts	9,827,940
15 improvement districts and special areas	4,574,562 1,248,132
4 collecting school districts	274,652
Total	$99,144,680

Table 8

Special Assistance Grants

Grantees	
2 cities	$13,308,248
5 towns	46,976
1 village	500
4 summer villages	19,000
1 municipal district	82,541
1 collecting school district	160,000
Subtotal	$13,617,265
Municipal Anniversary Recognition Grant	18,431
Total	$13,635,696

Table 9

Municipal Debenture Interest Rebate Program (Figures in this table are for the 1988 calendar year)

Grantees	
1 municipal district	$ 82,541
16 cities	54,273,228
107 towns	5,961,111
102 villages	752,641
4 summer villages	17,812
20 counties	692,758
11 municipal districts	83,521
10 improvement districts	117,379
4 regional service commissions	395,587
Total	$62,294,037 *

*Included are debenture prepayment penalties and adjustments totalling $703,489.

Table 10

Alberta Municipal Partnership in Local Employment (AMPLE) Program

Grantees	
16 cities	$37,845,646
108 towns	7,415,158
122 villages	1,099,459
53 summer villages	197,273
30 counties	6,075,575
22 municipal districts	2,825,296
15 improvement districts	1,452,045
8 Metis settlements special areas	116,495 145,261
4 collecting school districts	314,450
Total	$57,486,658

Table 11

Miscellaneous Grants

Senior Citizen Self-Contained Apartment Program
Grants were paid to six cities, two towns and two villages, totalling $889,935.

Ethno-Cultural Provincial School Levy Abatement Program
Grants were paid to 26 ethno-cultural organizations, totalling $44,919.

Transitional Assistance
Grants were paid to three municipalities, totalling $7,756,710.

Assistance to Individuals

Table 12

Senior Citizens' Renter Assistance Program

Application Type	#		$		Total $
Regular	28,460	X	1,200	=	$34,152,000
Subsidized Housing	16,544	X	600	=	9,926,400
Owner-occupied Mobile Home	2,048	X	1,000	=	2,048,000
Totals	47,052 *				$46,126,400

*Includes prior years' applications

Table 13

Property Tax Reduction

Senior citizen applications (includes prior years' applications)	98,895
Amount disbursed to senior citizens	$64,969,892
School tax credits	44,355
Administration fees:	
Senior citizen applications	494,475
School tax credits	1,050
Total disbursed	$65,509,772

Planning Services Division

Jack G. Thomas — Assistant Deputy Minister

The broad mandate and purpose of the division is to enhance Alberta's municipal well-being through development and delivery of community land use planning services. The division's responsibilities are these:

- To provide professional planning advisory services to municipalities not included within regional planning commissions (RPCs). A map delineating RPCs can be found on page 38.
- To act as the approving authority for subdivisions for municipalities not included in RPCs and not designated as having separate authority for this function.
- To provide legal mapping and municipal engineering services for use in land use planning.
- To administer various provisions of Alberta's planning legislation.
- To monitor provincial planning legislation and advise the Minister and the department on its operation.

Noteworthy during the year was the progress made with the Vision 2020 project, a futures planning initiative to guide municipalities beyond the year 2000. (The project was originally called Municipal Alternatives Beyond 2000.) Also, the division was represented on a City of Calgary/Government of Alberta Task Force to assist with the final stages of the city's land acquisition program for the Nose Hill Park. Agreements were secured in February 1989 for acquisition of all remaining lands required for the project.

The division's responsibilities are implemented through the work of three branches:

- Research and Development
- Planning
- Planning Support Services

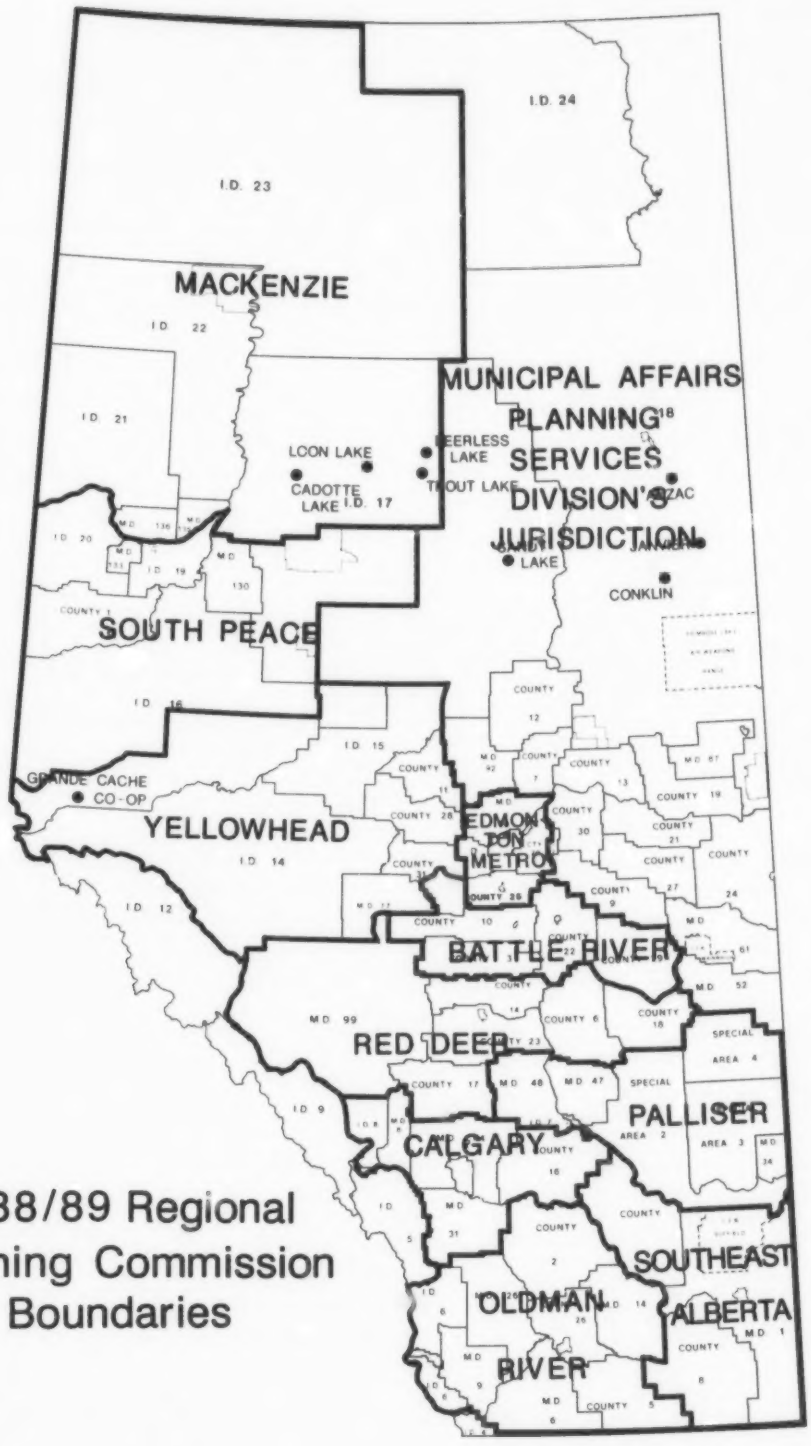
Research and Development Branch

The branch provides advice and assistance to municipalities, the Alberta Planning Board, regional planning commissions, government departments and agencies, and the public. Also, it carries out research projects related to municipal interests, such as land use planning, legislation and related areas.

Highlights of branch project, research and legislation activity follow.

Project Highlights

- Vision 2020. **In total, 284 municipalities are participating in this program. Of these, about 250 sent elected councillors or staff to two-day workshops designed to equip them to lead their councils through a four-step process culminating in a Vision Statement. Some municipalities have completed the process and have a Vision Statement in place; others are working toward completion in the next fiscal year, when an implementation manual will be available.**
- "Impact." **This municipal planning and finance model was asked for by several communities to assist them with the financial forecasting and assessment of development impacts. A user manual has been prepared and is being tested in several communities.**
- Accelerated Growth Community Coordination and Information Committee. **Branch staff are coordinating this new interdepartmental committee. The committee's major responsibility is to report to the Social Planning Committee of Cabinet on a broad provincial strategy for coordinating the implementation of requirements for infrastructure and service expansion. The committee will also establish a general blueprint that communities may use in developing a checklist for examining all dimensions of accelerated growth.**
- Symposiums on Cold Region Development. **The branch was involved in organizing the international symposium on cold region development held in Harbin, China, in 1988. A delegation from the department attended. The next symposium**



1988/89 Regional Planning Commission Boundaries

on this topic will be held in Edmonton in 1991.

- Revitalizing Downtown Alberta: A Self-help Action Kit. More municipalities responded to this program, in which the branch offers advice and assistance to downtown businesses. This generally leads to the establishment of a local working committee which develops an action plan for improving and promoting downtown areas.
- Geographic Information System/ Land-Related Information Systems. The branch continued to liaise with the Alberta Research Council on implementation of a study which provides these information systems for planning commissions and the Alberta Planning Board. In other computer-related projects, system work started on municipal censuses, land records management, and a road and utilities inventory.
- Goals for Canmore. A draft corporate plan was prepared for Canmore. This is intended to provide Canmore with overall direction in many areas of municipal responsibility.
- Orientation Programs. The branch continued support to municipalities and regional planning commissions in conducting orientation programs for municipal planning commissions and development appeal boards. These programs help planning officials to understand the purpose and function of the two types of organization, and to recognize what their roles and responsibilities are as officials.
- Municipal Census Processing. A number of municipalities were helped in processing their census through the branch's computer program. The program also continues to be in demand by regional planning commissions.
- Heavy Oil Advisory Committee. This interdepartmental and industry committee, on which the division is represented, continued to monitor the impact of heavy oil and oil sands development and how it affects communities. Branch staff coordinated the production of the committee's 1988 Annual Report.

Research Highlights

- Manufactured Housing Study. This study was set up to review the state of manufactured housing and to prepare relevant land use planning guidelines. A steering committee was formed, and consultants hired to prepare a report on issues identified in the study's terms of reference.
- Garden Suites Study. As part of a joint study with the Housing Division on the garden suite concept, two demonstration projects are being coordinated in cooperation with other agencies. The garden suite concept is when a second dwelling is allowed on a property for the use of senior citizens, generally family members. The demonstration projects are in Lethbridge and the County of Parkland.
- An Inventory of Land, Lots and Servicing Capacity for Selected Alberta Urban Municipalities. This inventory report was published for the second year in a row. It is published for urban municipalities with populations of 50,000 or less, and shows the amount of vacant land and existing serviced lots. The 1988 report was circulated to municipalities early in 1989.

Legislation Highlights

- Planning Act Exemption Regulation. Staff prepared an exemption regulation for approval concerning a number of Planning Act amendment proposals.
- Subdivision Regulation Amendments. A number of proposed changes to the Subdivision Regulation have been made and a report concerning these items has been circulated to various agencies for comment.

Planning Branch

The branch provides regional and municipal land use planning services to municipalities not served by a regional planning commission (RPC). These services include the following:

- Consulting to municipalities on land use and development matters, including the preparation, adoption, maintenance and operation of general municipal plans, area structure plans and land use bylaws. Senior staff, as delegated by the Minister, act as subdivision approving authorities for that area of the province for which the branch has responsibility.
- Representing the department on statutory bodies, including the

Crown Mineral Disposition Review Committee, the Exploration Review Committee, the Development and Reclamation Review Committee, and the Land Conservation and Reclamation Council.

- Processing most of the interdepartmental referrals related to land use on behalf of the department.

These services are performed by three regional planning units and a Subdivision Unit. Reports from each follow.

Lakeland Planning Unit

The unit provided planning services to 17 urban and rural municipalities and four Metis Settlements located in northeastern Alberta. In the reporting period, three general municipal plans, three lake management studies, four area structure plans and two land use bylaws were prepared. Several other shorter-term projects were also completed.

Parkview Planning Unit

The unit provided planning services to 35 urban and rural municipalities and four Metis Settlements. Major undertakings included the completion of two General Municipal Plan/Land Use Bylaw updates, three Land Use Bylaw reviews and revisions, two outline plans and one Area Structure Plan for North Buck/Chump (Johnson) Lakes (County of Athabasca).

Also completed were three municipal censuses, two town employer surveys, one town market survey, a municipal parking standards report, a County school population projection and siting report, a town profile and land use inventory, guidelines for a town's main street facade improvements, a County subdivision activity report, and a 75th Anniversary Profile/Brochure for the Village of Chipman.

The unit started "Branchline," an internal Planning Branch newsletter.

Prairie Planning Unit

During the reporting period, 30 urban and rural municipal clients approached the unit for land use planning services. Particular help was given to several municipalities in advising them on how best to respond to emergent land use issues in their communities. These municipalities included the City of Lloydminster; the towns of Provost, Vegreville, Vermilion, and Wainwright; and the Municipal District of Wainwright.

A standard regulation format was developed for the Airport Vicinity Protection Area (AVPA) program. One result of completion of the new format is that all existing regulations are being scheduled for review. The number of airports seeking benefit from the program outpaced available staff resources. Major new clients included the City of Medicine Hat, and the towns of Canmore, Lacombe, and Vegreville.

Subdivision Unit

During the reporting period, this unit provided technical processing and circulation of subdivision applications for 85 municipalities not included in regional planning commissions. A breakdown of unit activities during the 1988-89 fiscal year compared with those in the previous year is shown in **Table 14** on the opposite page. The increase in the number of subdivision applications, to 413 from 377 in 1987-88, is seen as a possible reflection of an improved economy.

Planning Support Services Branch

The branch provides municipal engineering, cartographic, graphic, photo lab and administrative support services required in the preparation and production of land use planning work. It comprises two major units, Drafting Services and Engineering Services. Reports and activity highlights follow from these and other branch sections.

Drafting Services

The unit provides cartographic services as well as graphics required by planners for the preparation of land use planning documents. Also, it provides technical support to the other units of the department.

During the fiscal year, for the first time, the unit acquired a small computer workstation, thus introducing automated mapping to the branch. It is expected that this automated workstation will enable the unit to undertake more work with limited staff.

Activity Highlights

- **In total, 493 requests for illustrative mapping work were handled.**
- **Technicians updated a number of legal land use compiled maps of municipalities within**

the division's land use planning jurisdiction. Requests for blue prints of these maps were received from government staff as well as from the public.

- School district maps were updated for Alberta Education; hospital district maps were updated for Alberta Hospitals and Medical Care.
- Several Airport Vicinity Protection Area (AVPA) maps were prepared in support of AVPA work by planners.

Engineering Services

This unit assists planning officers in ground control surveys, aerial photography and other municipal engineering services needed to ensure sound decisions in land use planning proposals.

Activity Highlights

- Aerial photography (scale 1:10,000) was procured for these municipalities: Blackfoot, Clandonald, Dewberry, Grand Centre, Innisfree, Islay, Kitscoty, Lavoy, Lloydminster, Manville, Minburn, Paradise Valley, and Vegreville.
- Ground control surveys and data computations were conducted in these municipalities: Blackfoot, Clandonald, Innisfree, Islay, and Lavoy.
- Field checks were made of Baptiste Lake for a management plan.
- The sewer system in the Village of Hairy Hill was inspected.
- In Wainwright, an examination was undertaken of sewer, water and roads for a residential subdivision; the tentative design of sewer and water systems was developed to fit the topography.
- In Red Deer, as part of the Airport Drainage Study, nine miles of the drainage system were plotted to fit the topography.

Table 14

Subdivision Statistics: 1987-88 and 1988-89

	1987-88	1988-89
Applications Received		
Plans of survey	124	139
Other instruments	249	270
Outline plans	4	4
Subtotal	377	413
Withdrawn by applicant	(5)	(10)
Files carried over from previous year	52	62
Total	424	465
Decisions Made		
Approved	64	53
Conditional approval	252	306
Refusals	32	44
Deemed refusals	4	4
Subtotal	352	407
Files carried over from previous year	72	58
Total	424	465
Other Data		
Alberta Planning Board appeals attended	33	42
Instruments endorsed	298	304
Lots	595	508

Photo Lab

This unit provides all types of photo reproduction services and other photo lab work required by the division and the department. During the fiscal year, 858 requests were handled.

Administrative Support

This section coordinates the division's day-to-day general administrative requirements in accounts payable, personnel matters, finance and budgeting and overall policies and procedures.

Alberta Assessment Appeal Board

The Board hears and adjudicates appeals on municipal assessments by cities, counties, improvement districts, municipal districts, school districts, irrigation districts, towns and villages. The Board also hears appeals concerning equalization assessments and electric power and pipeline assessments.

In the early part of the 1988-89 fiscal year, the Board began hearings in Calgary and Edmonton as a result of appeals from the courts of revision arising from the 1986 general assessment in the two cities.

In view of these hearings, it was soon apparent that the Board would not be able to handle its total work volume. To relieve the impasse, two individuals were seconded to the Board from Alberta Municipal Affairs, and the government was asked to appoint three more. This was agreed to, and three new members were appointed in February 1989. The Board then began operating with three divisions.

The participation of technical and legal experts in the appeals process continues to grow, a trend that was reported last year. The preponderance of appeals in Calgary and Edmonton are now from these specialists.

The Board issued 97 written decisions during the 1988-89 fiscal year. Other decisions were given orally and subsequently confirmed in writing.

Appellants and Items Heard

Table 15, on this page, presents a summary of the number of appellants and items heard by the Board during the 1988-89 fiscal year. A summary of the disposition of all appeals, by type of municipality, is shown in **Table 16** on the next page.

Board Members

The following individuals were members of the Alberta Assessment Appeal Board at March 31, 1989.

Wallace Daley, Chairman
James Swelin, Secretary Member
John Chaney, Member
Jacob Schmidt, Member
Roy N. McGregor, Member
John Frost, Member
J. Neil Gibson, Member
Alfred Berridge, Member
George Patan, Member
Robert Dalgliesh, Member

Table 15

Number of Appellants and Items Heard

Municipalities	Appellants	Items
12 Cities	2,836	16,478
25 Counties	87	197
6 Improvement Districts	13	29
10 Municipal Districts	71	203
2 School Districts	3	5
1 Irrigation District	1	7
35 Towns	64	202
18 Villages	44	74
Total	3,119	17,195
Others		
Equalized Assessment	2	2
Electric Power and Pipeline Assessment (7 withdrawn)	—	—
Total	3,121	17,197

Table 15

Alberta Assessment Appeal Board
Summary of Disposition of Appeals and Items Heard in the 1988-89 Fiscal Year

	Cities	Counties	Districts				Towns	Villages	Totals
			Improvement	Municipal	School	Irrigation			
Number	12	26	7	10	2	1	35	18	
Appellants	2,836	87	13	71	3	1	64	44	3,119
Land									
Assessments	8,566	114	20	130	3	7	149	42	9,031
Adjusted	3,154	50	16	72	—	—	85	8	3,385
Confirmed	1,018	30	3	34	1	—	41	23	1,150
Dismissed	188	25	—	9	—	7	8	7	244
Cancelled or quashed	186	—	—	—	—	—	—	—	186
Withdrawn	4,020	9	1	15	2	—	15	4	4066
Improvements									
Assessments	7,823	83	9	73	2	—	49	32	8,071
Adjusted	2,794	20	3	13	—	—	16	15	2,861
Confirmed	679	33	4	28	—	—	10	17	771
Dismissed	115	12	—	15	—	—	6	1	148
Cancelled or quashed	11	6	1	—	—	—	—	—	18
Withdrawn	4,224	12	1	17	2	—	17	—	4,273
Business									
Assessments	69	—	—	—	—	—	—	—	69
Adjusted	23	—	—	—	—	—	—	—	23
Confirmed	17	—	—	—	—	—	—	—	17
Dismissed	16	—	—	—	—	—	—	—	16
Cancelled or Quashed	—	—	—	—	—	—	—	—	—
Withdrawn	13	—	—	—	—	—	—	—	13
Local Improvements									
Assessments	20	—	—	—	—	—	4	—	24
Adjusted	10	—	—	—	—	—	2	—	12
Confirmed	4	—	—	—	—	—	1	—	5
Dismissed	5	—	—	—	—	—	1	—	6
Cancelled or quashed	—	—	—	—	—	—	—	—	—
Withdrawn	1	—	—	—	—	—	—	—	1
Totals	16,478	197	29	203	5	7	202	74	17,195

* Includes summer villages

Alberta Assessment Equalization Board

The Board is responsible for administering the province's program of assessment equalization. The objective is to bring all property value in the province to a common level so that a number of programs, such as education, can be cost-shared on the equal basis of these assessments.

The equalized assessment for 1989 totalled $22.1 billion, an increase of 3.7% over the total of $21.4 billion in 1988. The increase is attributed to these factors:

- Moderately inflated urban and rural non-farm land market values.
- Increased building projects.
- Higher material and labour costs.
- A drop in the productivity value of agricultural land.

Equalized assessments established for use in 1988 and 1989 were determined on the basis of municipal property assessment data for 1986 and 1987 respectively. Total equalized assessments over a 10-year period, together with the annual percentage increase or decrease, are shown in **Figure 2** on page 46.

School Foundation Program Fund

During the year, municipalities contributed $162,878,100 to the School Foundation Program Fund based on an equalized assessment of $10.2 billion. This was an increase of 5.4% from the previous year's contribution of $154,468,750.

An increase of $344 million in the School Foundation Program Fund equalized assessment, combined with a provincially established 15.9 mill rate, added $8.4 million to the 1989 Fund. The mill rate for 1988 was 15.5.

Equalized assessments for the Fund over a 10-year period, together with the annual percentage increase or decrease, are shown in **Figure 3** on page 46. Total requisitions to the Fund by municipalities over a 10-year period, together with the annual percentage increase or decrease, are shown in **Figure 4** on page 46.

Appeals

A policy of the Assessment Equalization Board is to permit each municipality to preview its equalized assessment and discuss contentious issues with the Board before receiving an official assessment notice. In 1989, following this process, four appeals were registered with the Alberta Assessment Appeal Board.

Regulation Amendment

During the year, Alberta Regulation 56/86 was amended to change the provincial equalization level from 20% to 65% of fair actual value, effective for 1990 and subsequent years.

Because actual property assessments are initially prepared at 65% of fair actual value, equalized assessment rendered at the same level will be more meaningful to each municipality. Components of the equalized assessment that are comparable to a municipality's actual assessment may be measured to monitor assessment equity.

Board Members

The following individuals are members of the Alberta Assessment Equalization Board:

Rene G. Gagne, Chairman

Adrian Waters, Vice-chairman

Steve Bemount, Member, representing Alberta Education

Joe Smith, Member, representing the Alberta Association of Municipal Districts and Counties

Dennis Bryan, Member, representing the Alberta Urban Municipalities Association

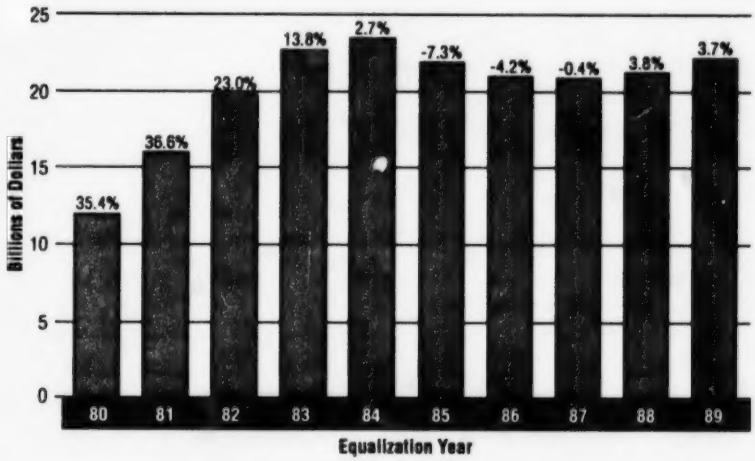


Figure 2

Total Equalized Assessments, 1980-89

Percentage increase or decrease is shown for each year

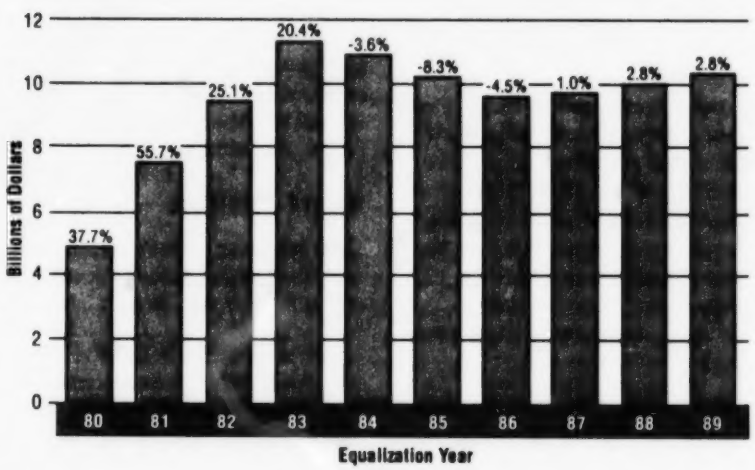


Figure 3

School Foundation Program Fund Equalized Assessments, 1980-89

Percentage increase or decrease is shown for each year

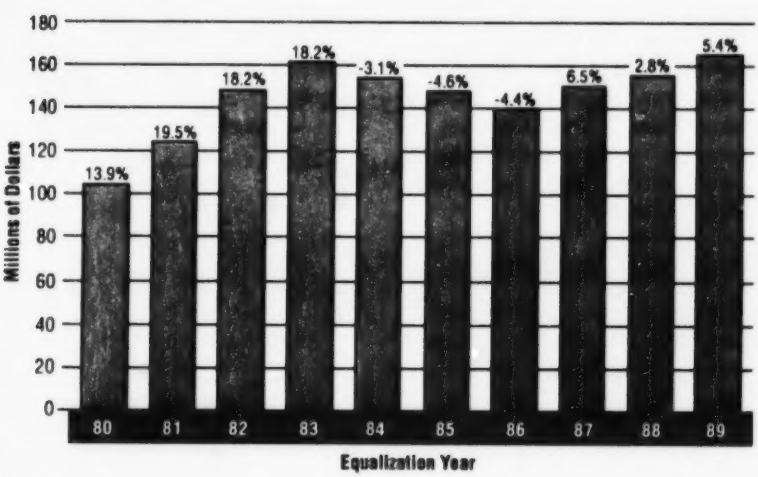


Figure 4

School Foundation Program Fund Requisitions, 1980-89

Percentage increase or decrease is shown for each year

Alberta Planning Board

The Board's overall mandate is to develop and administer land use policies and procedures for the subdivision of land.

Through this mandate, the Board plays two major roles. First, it is a quasi-judicial body which hears appeals of decisions on the subdivision of land and for amendments to regional plans. The Board also hears referrals on disputes between municipalities, and on cases where municipal land use documents do not conform with regional plans.

The Board's second role is administrative in that it administers the Planning Act and related Acts and regulations.

The Board's activities during the reporting period generally were up over those in the previous year. This was particularly true in the number of subdivision appeals filed and heard, subdivision Board Orders issued, and in the number of days spent in appeal hearings. These particular increases are shown in the five-year comparison of subdivision appeal statistics in **Figure 5** on page 49.

Reports follow on the Board's activities during the 1988-98 fiscal year, and on the work of its various committees.

Information Systems Project

A significant innovation was the formation of a Board Land-Related Information Systems Management Committee. Chaired by the Board, it comprises representatives of the 10 regional planning commissions, Alberta Forestry, Lands and Wildlife, Alberta Municipal Affairs, and the Alberta Research Council. This systems management committee evolved from the work of the former Geographic Information Systems Committee, which, in the 1987-88 fiscal year, undertook a planning study on land-related information systems.

The study identified costs and actions applicable to the use of computers in handling land-related data by regional planning commissions. Subsequently, a pilot project was set up involving the Edmonton Metropolitan Regional Planning Commission, the Municipal District of Sturgeon, and the Town of Morinville.

The pilot is receiving widespread support. Funding commitments have been made by Alberta Municipal Affairs, Alberta Forestry, Lands and Wildlife, the Alberta Research Council, and this Board. Contributions in kind have been committed by the regional planning commission, the municipal district, and the town involved in the pilot. Other regional planning commissions and several government departments are making staff and data available.

A consultant has been engaged as the project manager, and a working group has been formed representing the participants. This reports to the management committee.

Technical Advisory Committee

During the year, the Board also formed a technical advisory committee to advise it on expenditures for computer hardware and software for the regional planning commissions. The committee includes representatives of the regional planning commissions, Alberta Municipal Affairs, Alberta Forestry, Lands and Wildlife, and the Alberta Research Council.

Board Activity

The Board was represented at conferences, annual general meetings, seminars and other events held by these organizations:

- Regional planning commissions
- Alberta Association of Municipal Districts and Counties
- Alberta Urban Municipalities Association
- Improvement Districts Association of Alberta
- Community Planning Association of Alberta
- Alberta Institute of the Canadian Institute of Planners and Landscape Architects
- Association of Development Officers of Alberta
- Association of Professional Community Planners of Saskatchewan

- Institute of Public Administration of Canada.

Board and staff members attended the Council of Canadian Administrative Tribunals and a seminar on Land-Related Information Systems for Municipalities. The Board held an Annual Planning Conference, which was attended by delegates from all parts of the province.

Board Meetings

The Board convened 69 general and committee meetings during the reporting period. These included 13 general Board meetings, one Executive Committee meeting, four conference committee meetings, 14 meetings of the Board Land-Related Information Systems Management Committee, and two semi-annual meetings with the chairmen and directors of the regional planning commissions.

In addition, the Board held five special meetings with municipalities and regional planning commissions on specific topics of concern.

Appeals Committee

During the reporting period, this committee received:

- 449 subdivision appeals
- 6 regional plan amendment appeals
- 2 intermunicipal disputes
- 6 referrals on non-conformity with regional plans.

The committee held eight review hearings of its earlier decisions and held five meetings on the extension of subdivision approvals. Also, 358 subdivision appeal hearings were held in 65 days throughout the province, from Fort Vermilion to Medicine Hat.

In total, 358 subdivision Board Orders were issued; 70 subdivision appeals were abandoned.

Research and Planning Committee

This committee met 11 times during the year, and considered:

- 502 applications for the extension of subdivision approvals
- 63 exemptions to section 78 of the Planning Act to allow more than one residence on a parcel of land less than 80 acres in size
- 56 plan cancellations
- 256 applications for the waiver of various requirements of the Subdivision Regulation.

One meeting was held to review amendments to a regional plan. Other minor amendments were considered at regular meetings of the committee.

Board Members

During the year, two new members were appointed to the Board, C.D. Morgan and E.C. Wyldman. Thus, at March 31, 1989, the Alberta Planning Board had 17 members, as follows:

Name	Position	Designation
A.R. Grover	Chairman	Deputy Minister Alberta Municipal Affairs
D.H. Cole	Vice-Chairman	Non-public
L.A. Kluthe	Vice-Chairman	Non-public
J.G. Thomas	Vice-Chairman	Assistant Deputy Minister Alberta Municipal Affairs
R.N. Briggs	Member	Alberta Environment
R.W. Clement	Member	Non-public
B.L. Colgan	Member	Alberta Agriculture
J.K. Maitland	Member	Non-public
D.C. McKay	Member	Non-public
C.D. Morgan	Member	Alberta Economic Development and Trade
K.G. Newman	Member	Non-public
P. Polischuk	Member	Non-public
B. Quickfall	Member	Alberta Municipal Affairs
T.E. Rippon	Member	Non-public
B.M. Stecyk	Member	Non-public
A.J. Suelzle	Member	Director, Alberta Planning Board
E.C. Wyldman	Member	Alberta Forestry, Lands and Wildlife

Finance Committee

This committee met 11 times. In addition, one subcommittee meeting was held and five meetings were held with regional commissions on their 1989-90 budgets.

The committee reviewed the annual operating budgets of the 10 regional planning commissions. It also determined the allocation of funds from the Alberta Planning Fund for the operation of these commissions and for special projects undertaken by the commissions and municipalities throughout the province. **Figure 6** on this page provides a five-year comparison of the sources of income of the Alberta Planning Fund; **Figure 7** on the next page provides a five-year comparison of contributions from the Alberta Planning Fund to the operating costs of the province's 10 regional planning commissions.

The audited statement of the Alberta Planning Fund appears on pages 51 to 53.

Figure 5

Subdivision Appeals

Five-year comparison of Board Orders issued, number of appeals, and hearing days

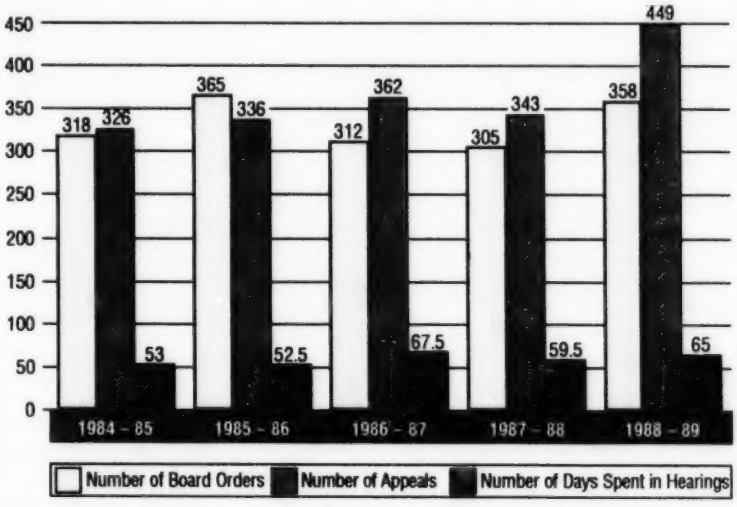


Figure 6

Alberta Planning Fund

Five-year comparison of income sources

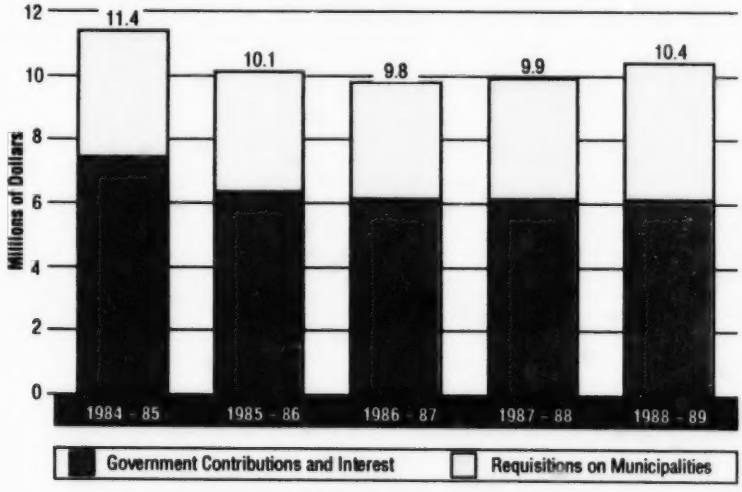
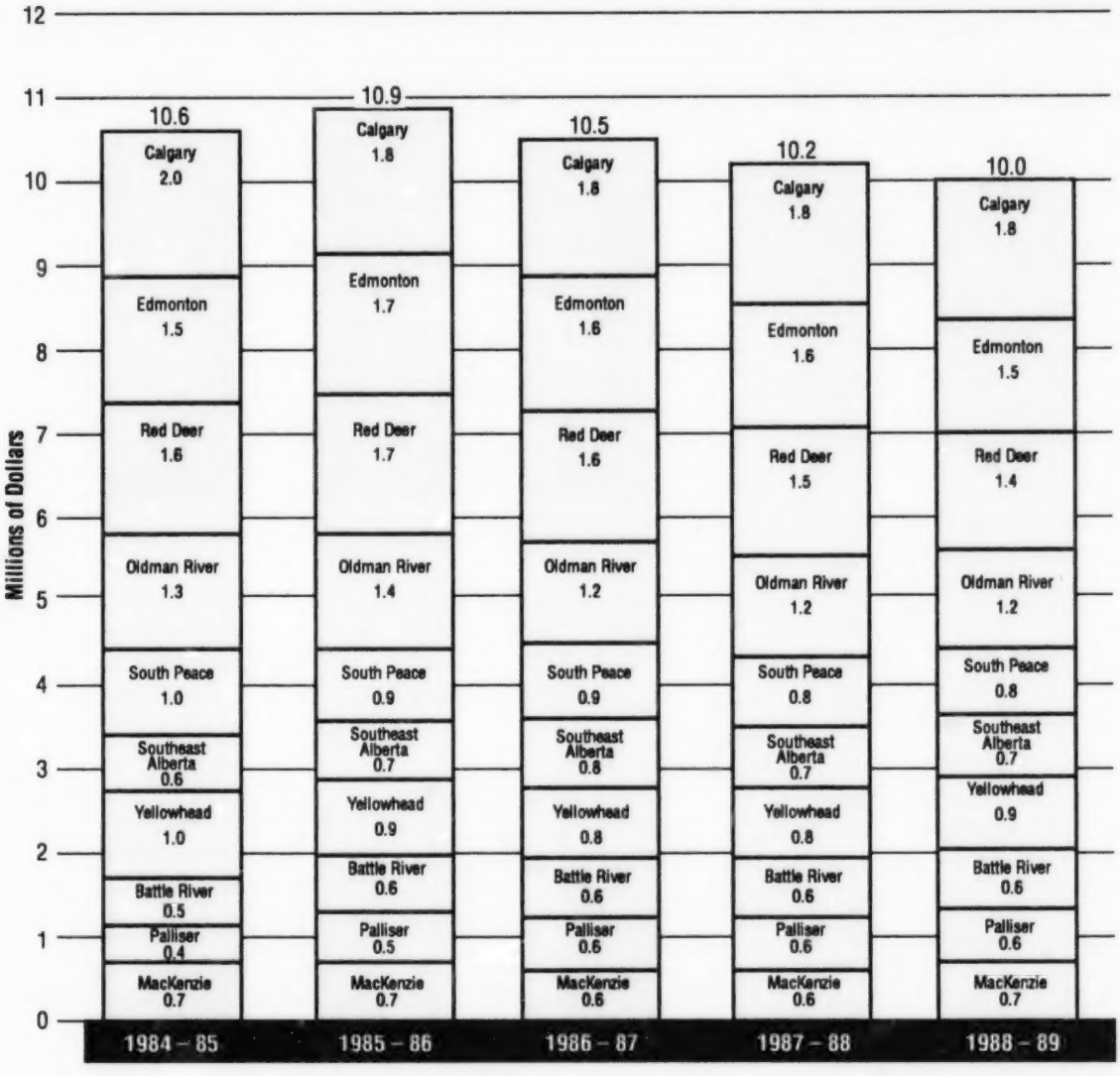


Figure 7

Contributions to Regional Planning Commission Operating Costs



ALBERTA LEGISLATURE

OFFICE OF THE AUDITOR GENERAL

Auditor's Report

To the Members of the Alberta Planning Board

I have examined the balance sheet of the Alberta Planning Fund as at March 31, 1989 and the statement of revenue, expenditure and fund equity for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Fund as at March 31, 1989 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Donald D. Salmon

C.A.
Auditor General

Edmonton, Alberta
June 16, 1989

Alberta Planning Fund Balance Sheet, March 31, 1989

	1989	1988
ASSETS		
Cash	$1,749,953	$1,429,798
Requisitions receivable	3,819	—
	$1,753,772	$1,429,798
LIABILITIES AND FUND EQUITY		
Liabilities:		
Accounts payable	$ 35,636	$ 8,360
Fund equity	1,718,136	1,421,438
	$1,753,772	$1,429,798

The accompanying notes are part of these financial statements.

Alberta Planning Fund Statement of Revenue, Expenditure and Fund Equity for the Year ended March 31, 1989

	1989	1988
Revenue:		
Contributions from the Province of Alberta, Department of Municipal Affairs	$ 5,813,789	$ 5,932,438
Requisitions from municipalities	4,338,438	3,764,439
Interest	243,265	198,400
	10,395,492	9,895,277
Expenditure:		
Contributions to Regional Planning Commissions:		
Operating costs (Note 3)	10,065,018	10,272,228
Special projects	13,776	44,000
Special planning studies	20,000	—
	10,098,794	10,316,228
Excess (deficiency) of revenue over expenditure	296,698	(420,951)
Fund equity at beginning of year	1,421,438	1,842,389
Fund equity at end of year	$ 1,718,136	$ 1,421,438

Alberta Planning Fund Notes to the Financial Statements, March 31, 1989

NOTE 1 Authority

The Alberta Planning Fund operates under the authority of the Planning Act, Chapter P-9, Revised Statutes of Alberta 1980, as amended.

NOTE 2 Significant Accounting Policies and Reporting Practices

Contributions to Regional Planning Commissions

Contributions toward operating costs are recorded as expenditures of the fiscal year in which they are paid.

Changes in Financial Position

A statement of changes in financial position is not provided as disclosure in these financial statements is considered to be adequate.

NOTE 3 Contributions to Regional Planning Commissions

Contributions for operating costs were authorized as follows:

	1989	1988
Basic	$ 9,506,071	$10,231,531
Supplementary	558,947	40,697
	$10,065,018	$10,272,228

NOTE 4 Administration Expenditures

Salaries, accommodation and other overhead costs incurred in the administration of the Fund have been borne by the General Revenue Fund and are not reflected in these financial statements.

NOTE 5 Approval of Financial Statements

These financial statements have been approved by management.

Special Areas Board

The Board operates under the authority of the Special Areas Act. Its mandate is to perform duties assigned to it by the Minister of Municipal Affairs in the administration of the province's Special Areas. These cover an area of approximately 5.2 million acres in southeastern Alberta. Their location is shown on the map on page 26.

Special Areas originated mainly from the breakdown of municipal districts which could not function in the Depression and the drought of the 1930s. The objective of the Special Areas Act, in 1938, and the Special Areas Board was to manage the overworked, damaged land in such a way that rural residents would be able to make a living. In turn, they would be able to support services in the areas.

This report covers the fiscal year ending December 31, 1988. Financial statements for that year can be found immediately after the text of this report.

Agricultural Conditions

The agricultural community experienced a very dry spring during the reporting period. In most areas, there was no rain until late June. Consequently, pastures remained dormant and brown all through the spring. Many cattle herds were culled, some were sold in their entirety, others were moved to more northern pastures in Alberta and Saskatchewan. Many producers bought feed and fed stock in their yards until after the late rains.

Despite the weather conditions, germination of crops was surprisingly good. Crops that did deteriorate badly were ploughed down and the ground reseeded.

Water Supply Program

Because the Special Areas traditionally suffer from long-term drought, a renewed effort was made by the Board to divert water from the Red Deer River west of Stettler, to the head waters of Berry and Sounding creeks. The objective is to maintain an assured supply of water in these creeks and thus mitigate the effects of drought in a large sector of the Special Areas.

This scheme, referred to as the Special Areas Water Supply Program, is a cooperative venture of various government and regulatory bodies and private-sector organizations. It involves construction of a hydro-electric power generator at the Dickson Dam on the Red Deer River. The power would be used to pump water from the river bed to a pipeline and canal system which would supply water to the two creeks.

Tourism Development

During the year, the Minister appointed a committee to develop a Community Tourism Action Plan for the Special Areas. The primary purpose of the plan will be to make residents aware of the economic and social benefits of tourism to the Special Areas. It will also assist other municipalities in the areas to develop projects of mutual benefit.

Grants in excess of $250,000 could be made available by Alberta Tourism for projects qualifying under this Community Tourism Action Plan program.

Road Construction

Construction of new roads during the year totalled 121 miles, an increase from 96 miles in the previous year. Total grant revenues from Alberta Transportation and Utilities increased more than 60% to $3.5 million. Road program costs exceeded $11.6 million, including the addition of fixed assets valued at $1.2 million.

50th Anniversary

The 50th anniversary of establishment of the Special Areas was celebrated in 1988. A weekend of special events at Youngstown was attended by 600 residents. The Board produced a 218-page book commemorating the anniversary, and a special logo was designed for stationery, pins, and other uses.

Board Members

The following individuals are members of the Special Areas Board. The two Members are appointed by the Minister from the elected Advisory Council (see below); the Chairman is not an elected official, but is also appointed by the Minister.

Abner G. Grover, Hanna, Chairman

Thomas Osadczuk, Iddesleigh, Member

John D. Sumner, Consort, Member

Advisory Council Members

The following individuals are members of the Advisory Council, which is elected every three years. The number of the subdivisions which the council members represent are shown in brackets.

Special Area No.2

Andrew R. Duff, Hanna (1); Frank Roes, Hanna (2); Dorothy Solberg, Sunnynook (3); Doug Williams, Cessford (4); Dick R. Pahl, Hanna (5); Leonard Rinker, Bindloss (7); Thomas Osadczuk, Iddesleigh (8).

Special Area No.3

Wayne L. Thornton, Sibbald (4); James D. Andrew, Youngstown (5); Ben Lockhart, Youngstown (6).

Special Area No.4

John D. Sumner, Consort (1); Ronald P. Dumaresq, Consort (2); Frank C. Murphy, Altario (3).

ALBERTA LEGISLATURE

OFFICE OF THE AUDITOR GENERAL

Auditor's Report

To the Minister of Municipal Affairs

I have examined the balance sheet of the Special Areas Trust Account as at December 31, 1988 and the statements of revenue, expenditure and accumulated surplus, reserves, equity in fixed assets and changes in cash resources for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Trust Account as at December 31, 1988 and the results of its operations and the changes in its financial position for the year then ended in accordance with the disclosed basis of accounting, considered appropriate in the circumstances, as described in Note 2 to the financial statements applied, after giving retroactive effect to the change in accounting for recreation advances as explained in Note 3 to the financial statements,on a basis consistent with that of the preceding year.

Donald D. Salmon

C.A.
Auditor General

Edmonton, Alberta
March 20, 1989

Special Areas Trust Account
Balance Sheet as at December 31, 1988

	1988	1987
Assets		
Current:		
Cash (Note 4)	$16,105,208	$17,892,700
Accounts receivable, net (Note 5)	2,813,951	2,663,645
Inventories (Note 2)	1,519,993	1,320,583
Due from Province of Alberta, net (Note 6)	809,414	—
Taxes and grants in lieu receivable	258,861	437,579
Prepaid expenses	16,048	4,175
	21,523,475	22,318,682
Non-current:		
Accounts receivable (Note 5)	10,696,255	12,678,396
Investments (Notes 2 and 7)	4,831,620	150
Fixed, at cost (Notes 2 and 8)	17,829,476	16,617,477
	$54,880,826	$51,614,705
Liabilities and Trust Equity		
Current:		
Accounts payable and accruals	$ 641,215	$ 618,466
Deferred revenue	131,618	77,956
Due to Province of Alberta, net (Note 6)	—	510,868
	772,833	1,207,290
Trust Equity:		
Accumulated surplus	5,011,324	3,670,257
Reserves (Note 2)	31,267,193	30,119,681
Fixed assets (Note 2)	17,829,476	16,617,477
	54,107,993	50,407,415
	$54,880,826	$51,614,705

The accompanying notes are part of these financial statements.

Special Areas Trust Account

Statement of Revenue, Expenditure and Accumulated Surplus for the Year Ended December 31, 1988

	1988	1987
Revenue		
General Municipal:		
Taxation:		
Power and pipeline	$ 7,664,435	$ 5,902,735
Real property	3,497,647	3,478,335
Grazing	795,330	868,678
Provincial grants in lieu	99,956	81,821
Penalties and costs on taxes	54,114	62,762
Mobile home licence fees	2,199	2,412
	12,113,681	10,396,743
Less: Expended by transfers:		
Supplementary school requisitions	4,618,404	3,835,714
Provincial school foundation	2,821,919	1,953,934
Seniors Foundation requisitions	282,069	222,312
Alberta Planning Fund requisitions	69,903	50,070
Industrial tax transfers	55,320	54,720
Hospital requisitions	54,980	59,028
	7,902,595	6,175,778
Net taxes for municipal purposes	4,211,086	4,220,965
Provincial grants (Note 10)	5,078,563	3,511,414
Leases	3,808,051	3,553,692
Interest	2,620,642	2,393,581
Tax recovery land sales (Note 9)	1,199,487	1,432,668
Proceeds on disposal of fixed assets	65,701	229,096
Other	762,534	596,669
Total Revenue Carried Foward	$17,746,064	$15,938,085

Special Areas Trust Account

Statement of Revenue, Expenditure and Accumulated Surplus (Continued) for the Year Ended December 31, 1988

	1988	1987
Total Revenue Brought Forward	$17,746,064	$15,938,085
Expenditure		
General Municipal:		
Transportation services	11,610,122	11,061,730
Administrative services	1,684,840	1,615,884
Agriculture and community pasture services	1,010,836	1,031,638
Recreational, cultural and educational services	263,204	273,428
Health and welfare services	220,349	329,330
Protective services	192,300	182,187
Total Expenditure (Note 11)	14,981,651	14,494,197
Excess of revenue over expenditure	2,764,413	1,443,888
Accumulated surplus at beginning of year, before restatement	3,670,257	3,512,106
Deduct:		
Adjustment for recreation advances at beginning of year (Note 3)	275,834	—
Accumulated surplus at beginning of year, as restated	3,394,423	3,512,106
	6,158,836	4,955,994
Add:		
Transfers from capital reserves:		
Funding for purchase of fixed assets	—	30,405
Less:		
Transfers to capital reserves:		
Tax recovery land sales (net)	1,118,103	1,316,142
Transfer to operating reserve:		
Non-municipal surplus	29,409	—
	1,147,512	1,316,142
Accumulated surplus at end of year	$ 5,011,324	$ 3,670,257
Increase in accumulated surplus compared to the previous year	$ 1,341,067	$ 158,151

Special Areas Trust Account

Statement of Reserves for the Year Ended December 31, 1988

	1988	1987
Capital Reserves:		
Tax Recovery Land Sales Reserve		
Balance at beginning of year	$30,118,572	$28,802,430
Add: Transfer from surplus:		
Tax recovery land sales, net	1,118,103	1,316,142
Balance at end of year	31,236,675	30,118,572
Public reserve		
Balance at beginning and end of year	1,109	1,109
Unexpended capital funds		
Balance at beginning of year	—	30,405
Less: Transfer to surplus:		
Funding for purchase of fixed assets	—	30,405
Balance at end of year	—	—
Total Capital Reserves	31,237,784	30,119,681
Operating Reserve:		
Transfer from surplus		
Non-municipal surplus	29,409	—
Total Reserves	$31,267,193	$30,119,681

Special Areas Trust Account

Statement of Equity in Fixed Assets for the Year Ended December 31, 1988

	1988	1987
Balance at beginning of year	$16,617,477	$16,066,629
Add: Purchase of fixed assets:		
Transportation services	1,429,775	1,439,311
Administrative services	60,747	16,000
Protective services	15,723	1,046
Agriculture and community pasture services	13,294	74,083
	1,519,539	1,530,440
	18,137,016	17,597,069
Less: Disposal of fixed assets	307,540	979,592
Balance at end of year	$17,829,476	$16,617,477

Special Areas Trust Account

Statement of Changes in Cash Resources for the Year Ended December 31, 1988

	1988	1987
Sources of cash:		
Excess of revenue over expenditure	$ 2,764,413	$ 1,443,888
Amortization of investment discounts	(118,306)	—
Adjustment for recreation advances at beginning of year (Note 3)	(275,834)	—
Decrease in non-current accounts receivable	1,982,141	2,066,459
	4,352,414	3,510,347
Uses of cash:		
Purchase of investments	4,713,164	—
Increase in non-cash current assets	992,285	297,384
Decrease in current liabilities	434,457	700,550
	6,139,906	997,934
Increase (decrease) in cash	(1,787,492)	2,512,413
Cash at beginning of year	17,892,700	15,380,287
Cash at end of year	$16,105,208	$17,892,700

Special Areas Trust Account

Notes to the Financial Statements for the Year Ended December 31, 1988

NOTE 1 Authority

The Special Areas Trust Account operates under the authority of the Special Areas Act, Chapter S-20, Revised Statutes of Alberta 1980, as amended.

NOTE 2 Significant Accounting Policies

(i) These financial statements have been prepared in accordance with generally accepted accounting principles except that:

(a) Fixed Assets

Fixed asset acquisitions are included as expenditure in the statement of revenue, expenditure and accumulated surplus. For information purposes, fixed assets having an original cost greater than $2,500 are shown on the balance sheet at cost with the offsetting credit to equity in fixed assets. No provision is made for depreciation of fixed assets.

(b) Revenues

Revenues from crop shares and Wheat Board adjustments are recorded on a cash basis.

(c) Tax Recovery Land

Tax recovery land is not valued for balance sheet purposes. Approximately 1.441 million acres of tax recovery land remains unsold as at December 31, 1988 (1987 — 1.462 million acres).

(ii) Significant Accounting Policies (continued):

(a) Investments

Investments are valued at cost net of applicable amortization of discount or premium using the straight-line method over the period to maturity.

(b) Inventories:

Inventories are valued at the lower of cost or net realizable value.

Cost is determined as follows:

	1988	1987
Parts and other, average cost	$ 815,339	$ 684,827
Gravel, first-in-first-out	687,183	630,404
Fuel, first-in-first-out	17,471	5,352
	$ 1,519,993	$1,320,583

(c) Capital Reserves:

The capital reserves have been established for the funding of any expenditure as authorized by the Minister of Municipal Affairs.

NOTE 3 Change in Accounting Policy

Recreation Advances

In prior years, recreation grants paid under agreements as advances against future annual requisitions from recreation boards were amortized as expenditure over the terms of the agreements. The unamortized portion of the grants were reported as accounts receivable. During 1988, the policy of reporting these grants as expenditure in the year of payment was adopted. This change in accounting policy has been applied retroactively. In order to reflect the financial impact of the change in the year in which it was made, as well as to maintain consistency with financial information previously presented to the Board, comparative figures have not been restated. The change has the following effect on current figures:

Decrease in expenditure	$ 52,974
Decrease in accounts receivable	$222,860
Decrease in accumulated surplus at beginning of year	$275,834
Decrease in accumulated surplus at end of year	$222,860

NOTE 4 Cash

Cash includes a deposit of $15,574,097 (1987, $17,492,654) in the Consolidated Cash Investment Trust Fund of the Province of Alberta.

NOTE 5 Accounts Receivable, net

Accounts receivable, net of applicable allowances for doubtful accounts, are comprised of the following:

	1988	1987
Current:		
Tax recovery:		
Land sales	$ 1,948,953	$ 1,794,544
Accrued interest	503,858	519,055
	2,452,811	2,313,599
Leases	175,658	213,412
Recreation advances	—	52,974
Miscellaneous	185,482	83,660
	$ 2,813,951	$ 2,663,645
Non-current:		
Tax recovery:		
Land sales	$10,691,799	$12,427,637
Recreation advances	—	222,860
Miscellaneous	4,456	27,899
	$10,696,255	$12,678,396

Title to tax recovery land sold is not transferred from the Minister of Municipal Affairs to the purchaser until all purchase monies have been paid. Land may be sold for immediate payment or by instalments over a period not exceeding ten years. If a purchaser defaults in payment, the agreement for sale may be declared null and void and all monies received may be retained by the Trust Account as liquidated damages.

NOTE 6 Due from (to) Province of Alberta, net

The net amount due from (to) the Province of Alberta is comprised of the following:

	1988	1987
Due from the Province of Alberta:		
Grants	$1,472,364	$ 107,421
Other	33,946	80,388
	1,506,310	187,809
Due to the Province of Alberta:		
Salaries	507,879	490,646
Administration charges	99,346	93,009
Other	89,671	115,022
	696,896	698,677
	$ 809,414	$ (510,868)

NOTE 7 Investments

	1988	1987
Alberta Municipal Financing Corporation shares	$ 150	$ 150
Bonds	4,831,470	—
	$4,831,620	$ 150

Bonds comprise:

	Book Value	Market Value	Value at Maturity
Government of Canada	$2,815,372	$2,761,221	$3,012,500
Province of Alberta	996,880	953,705	1,000,000
Province of Manitoba	1,019,218	977,500	1,000,000
	$4,831,470	$4,692,426	$5,012,500

NOTE 8 Fixed Assets

Fixed assets, at cost, are comprised of the following:

	1988	1987
Land	$ 199,361	$ 199,361
Buildings	4,204,394	4,185,371
Vehicle and mobile equipment	12,375,681	11,312,913
Machinery and equipment	958,516	889,055
Electronic data processing equipment	76,495	21,432
Office equipment	15,029	9,345
	$17,829,476	$16,617,477

NOTE 9 Tax Recovery Land Sales Revenue

Tax recovery land sale revenue is comprised of the following:

	1988	1987
Land sales — agreements	$ 901,232	$ 925,680
Land sales — full payment	208,920	380,460
Mineral surface lease sales	89,335	126,528
	$ 1,199,487	$ 1,432,668

NOTE 10 Provincial Grants

Provincial grant revenue is comprised of the following:

	1988	1987
Transportation and Utilities	$ 3,521,636	$ 2,157,050
Municipal Affairs	1,402,708	1,160,253
Agriculture	116,407	164,852
Environment	2,284	—
Recreation and Parks	29,776	24,510
Career Development and Employment	5,752	4,749
	$ 5,078,563	$ 3,511,414

NOTE 11 Total Expenditure

Total expenditure for the year is analyzed by object of expenditure as follows:

	1988	1987
Supplies and services:		
Direct	$ 7,489,194	$ 7,342,159
Alberta government departments	788,629	553,035
Manpower	4,854,360	4,722,779
Fixed assets	1,519,539	1,530,441
Grants	329,929	345,783
	$14,981,651	$14,494,197

NOTE 12 Comparative Figures

The 1987 figures have been reclassified where necessary to conform to 1988 presentation.

NOTE 13 Approval of Financial Statements

These financial statements have been approved by management.